
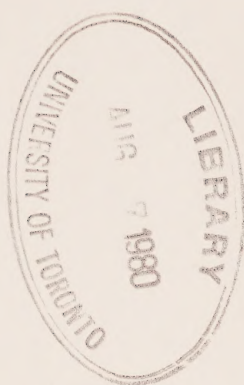


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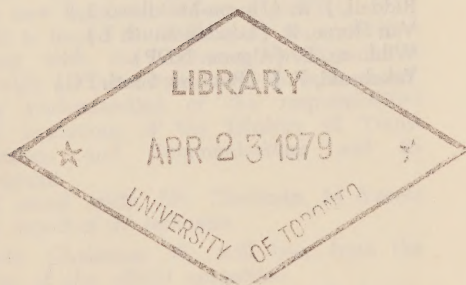
Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Transportation and Communications

Third Session, 31st Parliament
Wednesday, April 11, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC



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LEGISLATURE OF ONTARIO

WEDNESDAY, APRIL 11, 1979

The committee met at 10:16 a.m.

ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

Mr. Chairman: The meeting will come to order. I see a quorum. We will go through to 12 minutes to one o'clock, in order to get two and a half hours in this morning. As usual, Mr. Minister, it is the normal procedure for you to have an opening statement so the floor is yours.

Hon. Mr. Snow: Thank you very much, Mr. Chairman. My opening statement this year will be quite brief. I again welcome the opportunity to discuss the estimates of my ministry with the members of the resources development committee. Our last discussion of the estimates occurred only a few months ago, in early November. In my remarks at that time I spoke about our strategic planning process and discussed in some detail the prospects for the five major ministry programs for the next several years.

Because you have had this overview, I will keep these introductory remarks very brief. However, I would like to table our latest publication of the strategic planning guidelines which were completed last month. The new guidelines are directed to the planning period which begins on April 1, 1980, and proceeds through the following five years. In other words, these new guidelines will be extremely pertinent to the consideration of the 1980-81 estimates.

In response to several comments made in November, the committee should be aware that I have sent copies of the new guidelines to the opposition critics as soon as they were published, even though they do not apply directly to the estimates we are considering now. I believe they were sent out a couple of weeks ago.

The discussions we are now beginning deal with the guidelines I tabled last November 7 which addressed our planning for the 1979-80 fiscal year and beyond. It was those guidelines which ministry staff used to plan the activities of the ministry for the 1979-80 fiscal year. Our new guidelines do not suggest or reflect a major shift in the ministry's direction from the plans estab-

lished in our last guidelines document. They amplify and provide a clearer focus to many of the key issues and objectives previously identified. They give more precise direction to the ministry staff as they go about their job of planning for the next five years.

I anticipate that the discussion over the next five days will focus on some important specific issues. It would be our intention, naturally, to reflect on these issues in the context of our strategic guidelines. These guidelines have consistently provided useful insights into not only the transportation and communications priorities for the province but also the very important issue of internal management efficiency.

In addition, you will note that my estimates do not include an amount for transportation for the physically handicapped. The reason for this is that the legislation does not permit this to take place. However, I am introducing legislation this session which will allow the funds to be part of my ministry's estimates. Meanwhile, within the budget of my colleague, the Minister of Community and Social Services (Mr. Norton), an allocation of \$2,100,000 has been made to cover the remainder of the demonstration projects and the startup of the full program as recently announced.

Of these funds, \$1,890,000 will be transferred to the municipal transit vote when the new legislation makes it possible.

It is hoped the tabling of our guidelines along with the estimates briefing books provide all committee members with a concise understanding of the responsibilities and operations of the Ministry of Transportation and Communications and its programs.

I stand ready, Mr. Chairman, to discuss any aspect of the estimates.

Mr. Chairman: We will hear from the critic of the official opposition.

Mr. Philip: Mr. Chairman, perhaps we can get some idea of what our schedule is going to be and set objectives for the 20 hours we have at our disposal. I have spoken to some members of the resources committee and recognize the tremendous time restraints on that committee. Since we have 20 hours and, as the minister has

pointed out, since unfortunately this committee sat on these estimates only a few months ago, I would be willing to take the last six hours of our estimates to deal with the further inquiry still on the agenda for the transport board. That would allow us 14 hours to deal with estimates in general and the remaining six hours to deal with the matter we dealt with during the recess—namely the transport board inquiry.

Mr. Chairman: You have heard Mr. Philip's suggestion. Any comment?

Mr. Cunningham: I would support that, Mr. Chairman.

Hon. Mr. Snow: Do we have a schedule of dates? It would be the last six hours, so it would be two and a half sessions roughly. Is that what we are discussing? Two sessions would be five hours.

Mr. Philip: Is it recognized that in addition to that, of course, there may be some time needed by some members of the committee to write the report and that we might not include that in the six hours. We are talking about six hours that will be used for seeing more witnesses and discussing what will go into the report. In addition to that, some of us may want to meet in extra time, perhaps as a subcommittee, to deal with preparing the report and then bringing it back to the committee. That won't necessarily be time away from the committee.

Hon. Mr. Snow: Would this be done as part of the estimates, or would we complete the estimates in the 14 hours and then the committee go on with the hearing separately from estimates? Is that what you are suggesting?

Mr. Philip: I am suggesting that we have been given 20 hours and I am willing to use six of those hours as part of the inquiry. We may want to check into the procedure of it. I don't care whether we pass the estimates in 14 hours and then devote six hours—I would like the minister to be present during the last days of the inquiry at least, when we are dealing with the policy implications of it. That is why I am suggesting this. I know of his busy time schedule and of the tremendous strains on this committee. Because we went through these estimates just a few months ago, I think we can cut down the time of the estimates and deal with the other matter.

Mr. Ruston: May I ask, Mr. Chairman, would it be your intention to have any discussion during the other part of the 14 hours? Or would that strictly be other parts of the votes? In other words, the six hours you are mentioning would be strictly for all

the other votes and there would be no discussion on the 14 hours.

Hon. Mr. Snow: I would think if you want it as part of it—one of the votes here is the funds for the OHTB, and I guess they have to be discussed. If anyone wants to ask questions on it when we call that vote, I would think they could do so. As I understand Mr. Philip and Mr. Cunningham, the six hours they want to set aside is really to carry on the study they were doing before, and I will be pleased to be here.

Mr. Philip: Mr. Minister, you will recall that Mr. Alexander made what I thought was an excellent statement in the last estimates of what he intended to do as chairman. Certainly we want to question him on that and get an update as to what progress he has made on those objectives. We certainly found it refreshing and enlightening and were quite happy with it.

Hon. Mr. Snow: Presumably that would be done as part of the estimates though.

Mr. Philip: That would be part of the estimates, so I can't see removing that vote.

Mr. Chairman: No, no.

Mr. Philip: We will deal with that. The other matter is a separate matter.

Mr. Ruston: The only thing I am concerned about is that we don't take six hours from our time and then have a long discussion on the transport board during the regular estimates. That could again put us in the same position as last year where we had no time for the \$700,000,000 that was spent on highways.

Mr. Lane: Mr. Chairman, I'm just wondering in the interest of the personnel being here, if everybody would agree we would talk about the vote when it comes up and have the five hours, which would be two complete sittings, for the other discussion. I would suspect that would prevent a mixing up of personnel.

Mr. Philip: I think that's a good suggestion.

Mr. Cunningham: I would go along with that.

Mr. Philip: That's a good idea.

Mr. Chairman: You agree to 15 hours, leaving the last five hours for this special discussion.

Mr. Philip: The continuation of the inquiry.

Mr. Chairman: That's agreed?

Agreed to.

Hon. Mr. Snow: Mr. Chairman, we usually set the schedule after the critics' leadoff

statements. There are the other three bodies the committee usually wishes to appear; TATOA, UTDC and the telephone services commission. I think that's all. There is also the highway transport board, of course.

If the committee could give me some idea as to when they would like those people to discuss those matters, I'll have the appropriate staff here and not have them sitting here all the time of the estimates.

Mr. Cunningham: Mr. Chairman, I would like to see people from those bodies. I don't have a lot of questions for the chairman of the Ontario Telephone Services Commission, although I do have one or two, and I wouldn't require she be here for any great length of time.

With regard to TATOA, I think generally I'm in the same kind of situation. Regarding the UTDC, I love travelling, as you know, Mr. Chairman, and possibly you and I might fly down to Kingston some afternoon and check that facility out again. I frankly would like to see what progress has been made in Kingston at the test track. Whether we do it within the confines of the estimates time or we do it one afternoon when we're not sitting and then meet here. I'm not particularly concerned with the minutiae. Before we pass those estimates I do want to see what kind of progress they are making in technological terms and what kind of progress is being made in the commercial and financial viability of that operation. I'm basically open as far as scheduling is concerned. I think it would serve the committee well.

Hon. Mr. Snow: I spoke to the chairman of TATOA this morning and he asked, if possible, that TATOA not have to appear next Tuesday evening because some of their key people are going to be in Hamilton making a presentation to the Hamilton regional council.

I believe Mr. Alexander is away. Do you know until when?

Mr. Gilbert: No, he'll be back. He's back now. Next week he's fine.

Hon. Mr. Snow: I know Mr. Foley has been away.

Mr. Gilbert: He was away, but he'll be back for next week.

Mr. Cunningham: If Mr. Foley is back, is there a chance we could schedule that for some time next week?

Hon. Mr. Snow: What we did last year, I believe, was schedule those people for certain times. We dealt with them and if we got finished, we went on with some of the normal estimates for the rest of the two and a half hour session.

Mr. Cunningham: I would suggest the setup as it worked last time was quite good.

Hon. Mr. Snow: That's the way we've done it the four times I've had the estimates.

Mr. Cunningham: We've never gone to Kingston before.

Hon. Mr. Snow: No. Do you want the committee to go to Kingston, if we can?

Mr. Cunningham: I think it would be instructive, especially for those of us who have been before.

Hon. Mr. Snow: Don't forget last year we went down to Kingston on a Wednesday and we used the two and a half hours, and applied the two and a half hours to the meeting in Kingston.

Mr. Cunningham: That would suit me fine, when we're spending that kind of money.

Hon. Mr. Snow: If we want to do that we should do that next Wednesday.

Mr. Cunningham: That's fine by me.

Hon. Mr. Snow: How many members of the committee would like to go to Kingston? We can certainly arrange it.

Mr. Chairman: Are you agreeable to that, first of all?

Mr. Philip: Mr. Chairman, if it weren't for your estimates I'd be in jail this morning because the justice committee is visiting Guelph. I think if the justice committee I chair can go to jail, we can go to the UTDC at Kingston.

Mr. Chairman: Maybe we should adjourn the meeting and let you go.

Mr. Philip: Only if you can come with me. You are such pleasant company.

Hon. Mr. Snow: Would it be all right then, Mr. Chairman, if I arranged with UTDC to go to Kingston next Wednesday?

Mr. Philip: Do we get to fly down with you?

[10:30]

Hon. Mr. Snow: Last year there was some mix-up. I forget how it was. It depends on how many want to go to Kingston. If the full committee wants to go, and staff and research people, then we should arrange a bus. If there are only six people going then we could take the plane down.

Mr. Cunningham: Just one technical question: Would the chairman be unfavourably disposed if we didn't have a quorum while we're considering the estimates?

Mr. Chairman: Whatever you agree, as long as you had the representatives from each group.

Mr. Cunningham: All right, I'm sure we can guarantee that. Wednesday's fine for me.

Hon. Mr. Snow: Has anybody got a calendar? What's the date we're talking about?

Mr. Cunningham: April 18.

Hon. Mr. Snow: So on Wednesday, April 18, we'll go to Kingston. I believe last year the two opposition parties brought some of their research staff. Perhaps you'd want to do that this time.

Mr. Cunningham: Yes, if you don't mind.

Hon. Mr. Snow: Just let me know how many people.

Mr. Cunningham: One or two.

Hon. Mr. Snow: I think it would probably end up we'd have to have a bus. The plane would take eight people.

Mr. Cunningham: Would you like me to line up a McLeod Motors bus from Stoney Creek? Nobody wants to go now.

Hon. Mr. Snow: Surely we can get a TATO bus.

Mr. Cunningham: Okay.

Mr. Chairman: I'll see that notices are sent out to everyone.

Hon. Mr. Snow: What time would you want to leave in the morning? It's a three-hour trip.

Mr. Philip: Say 8:30. That would get us there for lunch, and we could have Danish sandwiches and then get down to business after lunch.

Hon. Mr. Snow: Okay, we'll set that up for Wednesday, April 18.

Mr. Philip: The main thing is that we get back for around 6 o'clock.

Hon. Mr. Snow: It's up to you whatever time. I believe last year the reason I had the plane there was because I had to go to Sault Ste. Marie for a meeting that night, and I went direct from Kingston to the Sault to meet with my Garden River friends.

Mr. Cunningham: I had to come back to listen to the Premier speak to an insurance group.

Hon. Mr. Snow: Okay. So the last five hours will be the OHTB, but we will also have Mr. Alexander here during the normal estimates to discuss other parts. When would you like TATO? Would you like TATO next Thursday evening?

Mr. Cunningham: Fine by me.

Hon. Mr. Snow: That would be April 19 at 8 p.m. for TATO. What about Ontario Telephone Service Commission? Normally you have not spent very much time on that.

Mr. Cunningham: I've got about 10 minutes. That's it.

Hon. Mr. Snow: We could have Mrs. Bielski here on the next Tuesday and spend whatever time you want with her. That would be Tuesday, April 24, at 8 p.m. I think that sets it up as far as having the appropriate staff here goes, Mr. Chairman.

Mr. Chairman: The Liberal spokesman.

Mr. Cunningham: Thank you, Mr. Chairman. Initially, I'd like to congratulate you on your appointment, election, selection, whatever it is, as chairman of this committee. I'm delighted that someone of your stature would be chairing this particular committee.

I should say at the outset I'm somewhat disappointed that we're into these estimates as early as we are. We were considering these estimates early last November, if I'm not mistaken, and it seems to be a particular problem with the process, one that I would hope could be corrected in time. I would prefer, frankly, that a greater regularity take place. Hypothetically, after we conclude these estimates, it could be another 16 or 17 months before this particular ministry passes public scrutiny again. I find that somewhat disappointing and I know that your staff do, too, because they take a great deal of pride and pleasure and enjoyment in preparing these estimates.

But 17 or 18 months is a long time for any ministry to go without scrutiny. The fact that we're meeting now five months—more than five months maybe since the last one—is unfortunate as well in that a lot of things are going to occur in these next five months that really should be examined. In many ways, I think it's fortunate for the minister, when I look at the things that have gone on in the last five months, that we haven't gone on longer. There are things that, quite frankly, disturb me.

I know we're going to be spending more time on the OHTB matter. I want you to know that that particular situation—if I could digress—disturbs me greatly. As you are aware, through the resources development committee, and as a result of actions initiated by myself and Mr. Philip of the NDP we are examining the conduct of that board. Quite frankly, I'm disappointed that this particular activity had to be pursued in the resources development committee or that it had to be pursued at all. I would have to say that were it not for the direction we took, the matter would not have received public scrutiny. I believe quite sincerely that it is a matter that requires pub-

lic investigation if in fact a regulated system of transportation is going to be maintained in Ontario.

Unlike the Kennedys of the US and various people maybe within the ministry—within this particular department—I am not attracted in general to the idea of deregulation. It seems to have been a buzz word in various speeches. I think probably there's a computer program somewhere in the government that spits out a page or two for every speech.

When we talk about government deregulation in the context of transportation, I find it inappropriate, especially in Ontario. In my view, it would be unfortunate for people who have built up the businesses, but most unfortunate for people in small towns in northern Ontario, if we were to get into a deregulated system.

Very briefly, with regard to the OHTB situation I felt a sense of disappointment, I suppose, in the chairman. If you had sat through that committee hearing, Mr. Chairman, you might have shared that sense of disappointment, insofar as you did serve on the highway transportation of goods select committee. Having been on that committee myself, I feel that we, as members of the Legislature, were somewhat betrayed. I feel that, in many ways, the staff from the transport board—more particularly the chairman—was not particularly candid with us when we were discussing the operations of that very important board. In many ways, I was disturbed to hear of some of the very serious irregularities that took place and the almost cavalier way in which several commissioners approached their responsibilities.

The bottom line, Mr. Minister, I think, is you. How all this could have gone on without your knowledge is just beyond my understanding. I honestly don't believe that you were kept informed of what was going on, otherwise you would have taken some positive action to straighten it out. You may share the same kind of disappointment I have with regard to my participation on the highway transportation of goods select committee.

The UPS situation is now before the courts. I don't think that requires a great deal of discussion within this particular committee. But I would say this to you, Mr. Minister, on this particular case; you may share my view that it is the most contentious case that the Ontario Highway Transport Board has reviewed; it was certainly the most lengthy, certainly the most expensive and certainly the most controversial. At this point in time, I still don't know how

I would decide whether a certificate of fitness would be granted. I don't know whether they have made the case or whether they haven't or what the ramifications are. They are so complex I am not certain how I would have made up my mind on it. But I assure you, if I were charged with that responsibility, it would be me that made the decision and not some other party.

What particularly disturbs me now is that you have directed a rehearing as a result of what I think you referred to as "the cloud that was placed over the board." If you felt the aspersions cast on the capabilities of the former board or the former chairman, if there were some doubts in our minds, as there were, if that caused you to think that some kind of cloud had been placed over the board, then that is correct.

As a result of your direction to the board, the case is to be reheard. I find there was no other option. If my memory serves me well, the Attorney General (Mr. McMurtry) communicated with you and indicated that, as a result of allegations relating to section 18(a) and (b) of the act, a rehearing should take place. I think under the circumstances there was nothing else that could be done. It would be inappropriate to say, "Grant UPS a licence then." It would be equally inappropriate to see that it would be denied a licence. Two wrongs don't make a right. Under the circumstances you had to direct that a rehearing take place.

What I find absolutely and totally incomprehensible is the actions taken by Canadian Pacific in frustrating your direction to that board. I just find it absolutely unbelievable. If I could refresh the memories of some of the members of the committee, this was all necessitated as a result of a written decision by the legal counsel for Canadian Pacific, acting on behalf of Canadian Pacific, Kingsway Transport, Canpar Express and Smith Transport. That particular individual, in my view, breached section 18(a) and (b) of the act. In addition to that, I believe that the chairman was in violation of that as well.

Clearly, the lawyer for CP acted as judge in his own court. I don't think anyone would argue against that. In many ways, that particular individual, unfortunately—I think I am using the words of the Attorney General—was put in a particularly invidious situation where he was asked to do it. I put myself in his shoes and I wonder what I would do under those circumstances. If the chairman came to me and said, "Write the decision and prepare the reasons for the decision," I think I would find it pretty

tough writing a decision in favour of UPS if I was hired by Canadian Pacific and those other companies to represent their interests. I would find it pretty difficult to come down on the side of UPS in those circumstances.

What I find absolutely incomprehensible, arrogant and an affront to the ministry and to the Ontario government would be the actions taken now by Canadian Pacific to frustrate a rehearing. It is just incredible. The Minister of Transportation and Communications, the guy who is running the ship, says there is going to be a rehearing. You have decided that that is the only way you can go. Yet Canadian Pacific has the absolute audacity to challenge that on a technicality before the courts. It's incredible.

In my view, though I am not a lawyer, the situation could be corrected in two ways. One is that if they are arguing a technicality—that is, that you directed it and the cabinet didn't by way of an order in council—an order in council could be brought down to accommodate them. Maybe you could correct me if I am wrong on that. The other option would be for United Parcel Service to go to court.

I am not making a case for United Parcel Service here, but here is a company that, in my view, has been somewhat badly abused by this process. They have in good faith gone before the board and spent a lot of money. Other companies, much smaller companies, have spent a lot of their money defending their interests before the board and certainly the public has been responsible for financing a large part of this exercise. In general, it's been a very expensive proposition. To see that matter further complicated by court activities is just absolutely unbelievable. I would find it an affront if we had an NDP government. I would find it an affront if I were the minister. Just absolutely unbelievable.

[10:45]

During the course of these estimates I would like to deal in some specifics with a few problems that will come up under other votes. Several are of a local nature. These are going to be the first estimates I've taken part in where I won't be complaining about highway 97 in my constituency. After 25 years it's been fixed, and I'm delighted. I don't know whether it's been three consecutive estimates that have brought this improvement about. If it is, that's wonderful. I think probably it's the generosity of the incumbent minister and the recognition that highway 97 is probably the worst highway in Ontario, at least from highway 6 over

to the Cambridge border. It's an awful mess, and I'm delighted that finally it's going to be improved.

I wish I could be as complimentary with regard to the Burlington Skyway. I tend to approach that particular problem with the same kind of cynicism as did Mr. Tice, who was our defeated Liberal candidate in Wentworth, and Mr. Isaacs, who was the successful NDP candidate in that riding, at the announcement that there was going to be a twin to the Burlington Skyway or a tunnel proposed weeks before the by-election.

The regional chairman said it was just excellent, exciting. "There are just not enough words," he said, "to express how pleased I am. We're getting rid of a congestion problem that's been nagging us for six years and it's good for economic development."

Mayor Jack MacDonald, who's about the same age, said he was overjoyed by the whole proposal.

I don't know whether it's exciting or thrilling.

Hon. Mr. Snow: We do make some people happy some of the time.

Mr. Cunningham: I don't know whether it's exciting or thrilling or excellent. And I wasn't really particularly overjoyed.

Hon. Mr. Snow: Are you against it?

Mr. Cunningham: If I knew whether it was a tunnel or a bridge I might be able to narrow my feelings down a little more specifically, Mr. Minister. To that end, I am probably as cynical about what's going to go on there as the candidates who witnessed this rather propitious announcement.

The only guy who was right, really, was Isaacs when he said he didn't think it would affect the outcome of the election, and I guess the results indicate it didn't.

Hon. Mr. Snow: It wasn't intended to.

Mr. Cunningham: I found the announcement somewhat propitious, especially in so far as you hadn't narrowed down whether it was going to be a tunnel or a bridge.

This particular problem is a real one. I don't know if I need elaborate to you the specific difficulties we're having moving goods and moving people from Niagara Falls and Fort Erie through to Burlington. It is a very, very serious problem, and one, I think, that needs added attention.

Hon. Mr. Snow: That's why we're going ahead with it, Mr. Cunningham, and probably at the expense of projects in other parts of the province.

Mr. Cunningham: I'm just delighted by that, Mr. Minister. I just think some action

should have been taken a long, long time ago. If that had happened we probably wouldn't need the remedies you are into now with regard to the road bypass under the bridge and over the lift bridge back under the bridge and along through to roughly where the Tien Kue Restaurant is in Burlington.

The idea that it's going to be six or seven years before this particular project is completed means that for Anne Jones—it's been nagging us for six years. Before it's all concluded, it will nag us for 13 years. It's unfortunate it's going to take that long to see a conclusion to it.

Every time we have a weather problem, every time we have high wind problems, every time we have an accident on that bridge, there are a number of complications. It means that people in Stoney Creek and the far east end of Hamilton can't get to a hospital because invariably they don't go to the Hamilton General Hospital, especially in rush hours; they go to the Burlington hospital. It means that cars are backed up; it means they're clogging the Beach Strip and destroying residential life there. It also presents a number of problems for people who would normally locate a business in Stoney Creek, say, or along the Queen Elizabeth way there, or in the east end of Hamilton; they have to look somewhere else.

Mr. Philip: You haven't heard that Timbrell is closing down the Burlington hospital?

Mr. Cunningham: No, I haven't heard that yet.

During the course of the estimates, Mr. Minister, I would like to get some direction from your staff with regard to the bridge situation in Ontario. I know that most members of the Legislature were concerned about the tabling of the reports last year with regard to the deterioration of so many of the bridges. I am concerned about that. I am really concerned about why they have deteriorated.

I am sure you have some kind of report with regard to why we have had some difficulties with the bridges. I have a supposition that it would probably be the salt or calcium chloride on the highways, but I would like to have some direction from you if I could. I know your staff probably have some feelings about it.

Hon. Mr. Snow: I don't want to interrupt you but, so I can get the information, are you talking about the municipal bridges that we discussed—

Mr. Cunningham: That's right.

Hon. Mr. Snow: —or the bridge deck problems on our provincial highways?

Mr. Cunningham: Well, both, actually. Your report related to both.

Hon. Mr. Snow: The report had nothing to do with provincial highway bridges. They are really two separate subjects.

Mr. Cunningham: In view of the fact that we're probably using calcium chloride on all of them, I would like to know what's going on. It's my supposition again—and I don't have the research staff to back me up on this—that we're having a lot of problems with the calcium chloride, especially in the deterioration of bridge structures.

Hon. Mr. Snow: Not calcium chloride. Salt.

Mr. Cunningham: Salt—whatever you're using.

Hon. Mr. Snow: Calcium chloride is put on the roads to stop the dust. We don't do that on highways.

Mr. Cunningham: You don't; okay.

With regard to regulation, I would hope we could get some direction from you. I know that other members who are interested in the movement of goods are concerned about the problems we're currently facing in terms of the enforcement of our current regulations and the ramifications of our reciprocity agreements.

I was somewhat alarmed to read the story in the Globe and Mail by Peter Moon about the problem that our fruit and vegetable people are experiencing. I know when we got into discussions about reciprocity during the course of our select committee hearings, we all felt the need for it. But at the same time we were all somewhat cautious, I suppose, about its ramifications and hopeful that it wouldn't have a deleterious effect on Canadian enterprise; and it appears that that has been the case. I would like some direction on that as well.

Not long ago, Mr. Philip and I met with Mr. Humphries and other members of your staff at Downsview with regard to the Simcoe rescue squad. Around this time we anticipated that you would have completed your interministerial report on the possibility of establishing similar types of rescue squads across Ontario, which particular ministry they might come under and how they might be funded.

I want to say to you, especially as a result of the tragic bus accident we had earlier in the winter involving children from Toronto going on a ski trip, that my feelings about the Simcoe rescue squad espe-

cially, but the concept of rescue squads in general, are enhanced by their activity in that particular regard.

It is my opinion that the Simcoe rescue squad on that particular occasion saved the life of the truck driver who, I think history will record, was not at fault in that particular accident. If they had not been around or had not been able to get to the scene of that accident as quickly as they did, I think that man would have died. Such is the case with many of the accidents they go to.

As far as cost efficiency and humanity are concerned, there can be very little argument against the establishment of these particular rescue squads. I would suggest that 15 or 20 of them should be encouraged on the major highways throughout Ontario. I would sincerely suggest that this be done through the Ministry of Transportation and Communications, but if it's not, it could be done through some other ministry. The most important thing is that we recognize the importance of this particular group, rely on their experience and see, possibly, some establishment of these particular facilities.

We will be going to see the UTDC. It is unfortunate we don't get a more regular communication from Mr. Foley on behalf of the corporation. It would be helpful to us in trying to be, perhaps, a little more objective about the operations of that corporation. I think if we scratched some of your officials a little harder, and they could be a little more candid with us, a number of them would probably be as cynical about that operation as I am.

My concern really is in two parts. One, I view it as a serious abuse of taxpayers' money and I remain firm in that belief. The other aspect that disturbs me is that while we are fooling around with this, we are wasting valuable time on establishing conventional methods of moving people. I would much rather see the continuation of a subway system where it is merited; the further establishment of what I regard to be a very fine GO system; or other methods of rapid transit, be it bus lanes, or even, Mr. Minister, taking the \$5,000,000 or \$6,000,000 the province requires to see a fare freeze for a year for the TTC, out of the funds you have directed to the UTDC.

I really have yet to be convinced of the merits of that particular corporation. In general, as a believer in the free enterprise system, I don't believe they are doing anything in the world that other corporations or other jurisdictions aren't already doing more effectively, and more efficiently. Frankly, I just don't see why we should be

involved in that enterprise. It would be my hope that some time soon you might dispose of it, I don't know what you would get on the dollar for it; maybe it is unfair to the Ontario taxpayer to speculate, so I won't. I would expect it wouldn't be all that much.

I appreciate your comments on assistance for the disabled. I don't think it would be unfair to say it is long overdue; it is disappointing it hasn't happened earlier. Yesterday in the Legislature in a matter of 15 or 20 minutes we moved through four items of legislation that were somewhat routine. I can guarantee if the program you have alluded to today is in any way genuine, and I assume it is, we could move through with similar speed a bill to assist people who are physically disabled.

The only other comment I have is with regard to the TTC. We certainly may be on the wrong side of the issue politically; I honestly believe that. I think we didn't pick up a lot of points, especially in Jack Riddell's riding or even Paul Yakubski's riding, by requesting a freeze on transit fares within Metro, but it is something we in the Liberal Party, and I believe the NDP as well and certain individuals within your cabinet, Mr. Minister, believe in. We believe we have that great fixed cost there, and as practical people we believe it should be supported. I think almost all of us are alarmed in general at the decline in ridership; and certainly fares are part of that, although they are by no means all of that particular problem.

In a microcosmic sense, I tended to sense your priorities as minister on the day you wrote Godfrey a letter saying "no", you also indicated publicly you were all in favour of the STOL airport on Toronto Island. That's an area which can get a great deal of discussion, either in these estimates or at other hearings; however it seems to be, if I could use the word, almost a perverse sense of priorities. I couldn't even guess how many people would use STOL—possibly one-tenth of one per cent of the city of Toronto, if that. But the TTC is something that is required every day by millions of people. It just seemed to be a strange sense of priorities.

[11:00]

Those are my comments, Mr. Minister, and we look forward to getting into the rest of the discussions in some detail.

Mr. Chairman: Mr. Minister, would you care to reply or would you prefer to hear from the critic of the New Democratic Party first?

Hon. Mr. Snow: It's up to the committee. I would be quite prepared to reply to Mr. Cunningham's comments now.

Mr. Philip: Mr. Chairman, I have the problem that I cannot be here on Tuesday night, so I wonder if I might make my remarks. Some of the things I say will dovetail in with what Mr. Cunningham has brought up, and the minister may be able to save some time by dealing with issues that are similar.

Hon. Mr. Snow: I hope I can respond today. We have almost another hour and three quarters.

Mr. Philip: We have an hour and three quarters, and I'm not going to be an hour and three quarters.

Mr. Riddell: Are we going to sit this afternoon?

Mr. Philip: No.

Mr. Chairman: Mr. Philip.

Mr. Philip: Mr. Chairman, thank you. I also congratulate you on your appointment as chairman. I know you are aware of transportation issues. You and I and Mr. Cunningham have discussed them at great length in the select committee on the highway transportation of goods. No doubt, at least in dealing with this minister's estimates, that background will be of use to you. I congratulate you.

On the minister's remarks, the only matter I would refer to is the one on page four, to which Mr. Cunningham has already addressed himself. We have been very concerned about the transportation of the disabled and the handicapped, and certainly we would look forward to anything the government can do to assist in further projects that will assist the disabled. In terms of senior citizens, it's important also that emphasis be placed on improving the present public transportation system with the kinds of mechanical means that are available at very limited cost, so that people like this can use what is a more flexible system than the Wheel-Trans system or the special systems, particularly in the urban areas, for recreational purposes, so that they are not confined in their movements to certain hours of the day or to certain types of transactions.

Regarding the remarks of Mr. Cunningham, I share some of his concerns about the operations of certain large companies and some of their actions at various times, not only in the United Parcel Service case but in other instances before the Ontario Highway Transport Board. However, I would rather deal with that when the pre-

vious chairman of the transport board is present so that I can ask him some fairly specific questions on those issues—if not the past chairman, at least when Mr. Alexander is here. I will confine my remarks to that time.

I think there is a basic difference between our party's approach to transportation and that of the minister. We have, over and over again, asked for a definite transportation policy. When I look at the document the minister has tabled with us, Strategic Planning Guidelines, there seems to be at least some recognition that there is a need for something in the way of transportation planning. Yet, when you look at the history of this ministry you can see there has basically been a form of anarchy, a lack of planning.

First we had the Rapoport commission, and then no action. Then we had the instances of dump trucks in front of the Legislature, demonstrations, one leader of one dump-truck association, I believe, being arrested for coercion, among other things, the whole unrest about R licences. Then, gradually, the select committee on highway transportation of goods, again recycling the Rapoport commission. Then gradually, with the bodies of the bankrupt truckers on the roads behind them, the minister finally consented to putting a freeze on our licences for a certain period of time.

That's a reactive rather than an active policy. The Rapoport commission was not the only body the government paid for—or the taxpayers paid for—that has been pretty well ignored. We could look at the more recent situation of the select committee on the highway transportation of goods, that you, Mr. Chairman, were an active participant in. That committee brought forth a 12-pound volume, and foreign transportation authorities admit it is one of the definitive, if not the definitive, works in the present times on the movement of goods.

Mr. Caldwell will admit to that, I'm sure.

Then you have the minister bringing in two bills that basically violated the very principle of that report—a principle which is very simple. This was that a regulated transportation industry was in the best interest of the consumer, the shipper, the industry, and it in no way increased the cost of transportation. Yet we have what amounted to the deregulation bills. It was only because of the minority government situation. I think, and because Mr. Cunningham and I joined forces—the Liberals and the NDP—the kind of anarchy that would have been created in the industry by those two

bills never came about. The bills luckily haven't been reintroduced, although the minister didn't have the good grace to withdraw them when he saw he couldn't get them in the House. He left the industry in a state of anxiety for months and months and months.

I guess the next question is when does the next shoe fall? Is the minister now resigned to throwing away the deregulation components that were found in these bills? Can he give us some assurances that he's not going to move in that direction?

The opposition pleads in terms of the principle of regulation also apply to other areas in the movement of goods industry. I met only two nights ago with a group of tow truck operators in Rexdale; many of them came from different areas in the city—Willowdale and other parts of Metro. They're being faced now with a Metropolitan Toronto bylaw that will regulate them at the municipal level. We have said municipal regulation of the movement of goods is utter nonsense. The economic zones and the municipal zones just do not coincide. But the pressure has been such from the consumers, and indeed from some of the tow truck companies themselves, that we now have the situation where they are moving in Metro towards municipal regulation of the tow truck industry.

When I met with this group they said this was nonsense; it would affect the Scarborough tow truck operators particularly; it would affect the Rexdale tow truck operators. The Scarborough people often pull from Oshawa and Ajax and places like that; the Rexdale truckers pull in the economic zone of Mississauga. Municipal licensing would create the same kind of anarchy and problems the taxi industry and the cartage industry have had.

Municipal licensing doesn't work. Mr. Shoniker, the past chairman of the transport board, admitted in this very committee, much to the minister's embarrassment, that municipal licensing was nonsense. You can check the last Hansard to refresh your memory if you like.

Hon. Mr. Snow: I don't think he said that. He and I disagreed on that policy matter and there's no secret about that. I don't think, if you check Hansard, you'll see he said that—

Mr. Philip: I'll check Hansard and I'll give you—

Hon. Mr. Snow: —it was nonsense. On the question as to whether he favoured regulation of the tow truck industry, he said he did.

Mr. Philip: I believe my question was—I'll find it, I have it here, I can find it later for the minister. I said: "Does municipal licensing work?" He said, "No." Yet these people are

going to end up paying—I believe the fee for one tow truck is \$250 and then it's on a graduated scale from there—they are going to be paying for a form of licensing which in fact I don't think will work, but it is better than nothing, because the ministry has not acted.

I say to municipal politicians, why go from municipal licensing? It won't work; it hasn't worked elsewhere. They say, very simply, "The provincial government is not showing leadership, it won't act. If it did we would love to get out of the business; we don't want to be in this business. We realize that it's not going to work all that well, but it's better than nothing. There's tremendous pressure out there, particularly when you turn on your TV set and find W5 showing the consumer ripoffs by a few unscrupulous operators."

I can tell you, Mr. Minister, that the tow truck operators I sit down and talk with want regulation. They want high standards, but they want to do it under the provincial commercial vehicles system. They do not want municipal licensing, even though, in looking over the proposed system Pat Sheppard and his committee are recommending, it certainly seems to be an improvement over previous kinds of municipal licensing. They certainly don't want that. They said to me in very strong words: "When you meet with the minister, tell him we want provincial licensing of tow trucks."

So, too, in the cartage industry. I won't recycle some of my previous speeches on the need for provincial licensing of the cartage industry and the fact that the present municipal system is just nonsensical. It's a tax on the trucking industry without any of the safeguards that should come under a provincial licensing system.

So, too, just as there's no evidence of planning in the movement of goods, it's not obvious that there's any planning in the movement of people. The Greyhound-Gray Coach fiasco was a good example of how the lack of policy and lack of directives to the transport board can end up in something that was obviously unpopular and completely unacceptable to a majority of people. Under an NDP government, of course, Gray Coach would have been a centre core in the development of a people movement system between cities in this province. The government has not seen fit to develop that kind of grid system.

Not only this government, but the Hepburn government before it, has developed a good system of roads.

Hon. Mr. Snow: You don't believe that.

Mr. Philip: I've got to say something to—

Hon. Mr. Snow: I'm a lot older than you and I don't remember anything—other than him being defeated.

Mr. Philip: All I remember about Hepburn was that my relatives, who were Conservatives, were all fired the moment he was elected.

Mr. Yakabuski: They were all fired on June 30 and he didn't take over until July 12. They were all fired on June 30, that's the way it was. Smart-ass over there wasn't born yet.

Mr. Philip: There's a certain advantage in not being born under the Hepburn regime, Mr. Chairman.

[11:15]

I was disappointed that my friend, Mr. Cunningham, who managed to stick with me to force the death of Bills 22 and 78, wasn't able to organize his troops and his party to force the reconsideration of the TTC fare increase, and I think it's disappointing—it's certainly disappointing to me—that Stuart Smith, who was able to speak with such bravado from Florida, suddenly found himself in a position where he had to do a flip-flop when it came to working on behalf of the people of Metro and forcing the government into—

Mr. Eaton: Be thankful he didn't support you.

Mr. Cunningham: If Jim Snow can announce bridges from Florida, Stuart can talk about fare increases.

Hon. Mr. Snow: I announced bridges in Hamilton, Mr. Cunningham.

Mr. Cunningham: Then you went to Florida, okay.

Hon. Mr. Snow: I went to Florida that afternoon, yes.

Mr. Cunningham: All right. I take it back.

Mr. Philip: Florida was a good place for the minister to be during the TTC debate, I suppose.

Hon. Mr. Snow: As a matter of fact, I'm almost ready to take another trip.

Interjection.

Mr. Philip: Mr. Cunningham, if you want to have time then I'll give it to you.

Mr. Riddell: Why the hell did you guys sit together if you can't get along?

Mr. Philip: I'm sure, Mr. Riddell, that Mr. Cunningham and I have more in common than you and he have in common or that you and I have in common, so I wouldn't worry about that.

Mr. Riddell: Maybe I'm one of the reasons that Stuart backed away from that TTC freeze deal.

Mr. Philip: I'm glad at times, at least politically, for our sake that Stuart Smith usually listens to the Social Credit wing of his party. I would like to point out to the minister that the problem in terms of developing people movement transportation in Toronto is clearly indicated in the recent paper, *Metro Suburbs in Transition*. I'm sure that the minister has read about it in the newspapers. Conservation mayors such as Flynn, of course, have denied that poor people exist in the suburbs and made similar statements, but the facts are there, and I'd like to deal with some of the ideas found in it, because I think that it's important that people such as yourself understand who is living in the suburbs now and the need for the kinds of people movement transportation that there are in the suburbs of Metropolitan Toronto.

Clark, in his review of Metropolitan Toronto suburban development in the early 1960s, *The Suburban Society*, notes that the early settlers did not primarily include the rich, the elderly, the childless, the religiously devout, or those with extensive kinship ties. New developments were primarily settled by people under 45, before or soon after the birth of the second child. Couples started out in a city flat, followed by a move to larger rented quarters on the birth of the first child. The early settlers did not bring with them strong urban attachments. Primary loyalties were to family life and the associations formed through work and childhood. And while there were suburban areas that attracted more financially secure residents, Clark notes that the suburban society was largely a debtor society.

I think if we look at who's now living in the suburbs of Scarborough and Rexdale we see that they're basically working class people, middle class people, people who rely on public transportation to get to and from their jobs. Metro suburbs no longer consist of homogeneous family groups as were developed in the very early suburbs. There's a diversity of size and composition, age of adults and children, the marital patterns, the roles of women in the suburban families of the 1970s.

So what we've got are people who have been described in this document as women at home alone full time with few supports, raising children on deprived incomes; increasing numbers of elderly, including isolated and dependent aged in need of home support and community services; tenants, primarily in apartment residence, protected only temporarily with rent review legislation; recent immigrants, adults and children from a variety

of ethnic and cultural backgrounds, many in the status of difficult adjustment and without traditional forms of support; large numbers of youth and adults under the age of 25, at varying stages of independence, with a significant number of unemployed; unemployed adult men and women over 25, with or without family responsibilities; households without an automobile, or with only one automobile, whose residences are transit-dependent.

These are the kinds of people who now live in the suburbs. I say to the minister the onus is on him to develop a transportation system that allows these people to be mobile, that allows these people to find employment and to get to and from that employment.

Unfortunately, the whole process of planning has not always made it easy for people in the suburbs to work in their neighbourhoods. You have a system where the people who live in Rexdale often work in Mississauga, or vice versa. In the case of the chap who was on the front page of the *Globe and Mail* this morning responding with his comments on the budget, he lives in Scarborough and works 24 miles away in Rexdale. He must commute by automobile because that's the only way of getting there in any kind of reasonable time frame.

Mr. Chairman, we in the NDP presented a number of reasonable reports and suggestions on the public transit controversy. I suggest to the minister that were he to read Hansard at the time of the emergency debate, at the time of the no-confidence motion, he would see in that debate I pointed out a number of inaccuracies in the statements he had made. I suggest he read that and address himself to those points I made. I'm not going to remake or redeliver that speech.

I would, however, like to deal with some of the issues Michael Cassidy, David Warner, and I and a number of other Metro members did raise when we appeared before the Toronto Transit Commission.

I want to make it clear public transit in Metro or in other cities such as Ottawa is not only an urban problem. What we're talking about is the fact that even non-users derive extensive benefits from the existence of a public transit system. The benefits include less air pollution, less noise, conservation of energy, greater speed of movement due to less traffic congestion, less need for police to regulate traffic, more rational use of urban land and roadways, which in turn, of course, means less taxes to those in suburban and rural areas because the fewer roads we need to build in Metro Toronto the more money in the budget for roadways in other areas.

Although these benefits cannot be precisely quantified, there's no doubt these benefits generated by public transit are grounds for substantial subsidization of urban transit systems.

The week before the no-confidence motion I was listening to a Peterborough radio station while I was travelling on Highway 401. They had done a man-on-the-street survey in Peterborough, and the interviewer, quite frankly, was astounded.

He had expected there would be the kind of Bob Eaton approach to the Metro Toronto fare increase.

Mr. Riddell: He doesn't like you either, Bob.

Mr. Philip: What he had done was interview people in downtown Peterborough and ask them whether they thought the provincial government should come across and subsidize TTC to the point of not having a fare increase. To his astonishment, a majority of people interviewed in downtown Peterborough agreed that should be done.

I don't believe there is the backlash out there certain politicians seem to be playing to—the anti-Toronto syndrome. In their communities, or in the cities that are in the surrounding areas, the mayors now are starting to come out and say: "What the Toronto Transit Commission vote was all about was us. We also need adequate subsidy for our transportation systems, and we are going to be treated the same way."

Transit is a vital service for a vast majority of its users. Fares may seem cheap for someone with a \$100,000 home and two cars, but a fare increase creates a significant burden on people of average incomes in places like Scarborough and Rexdale who must use public transit to go to work.

Public transit is also vital for people who use automobiles. Last September's TTC strike illustrated the magnitude of that dependence. Automobile transportation consumes one third of all petroleum used for transportation. However, automobiles consume 4.74 times as much energy as buses per passenger-mile.

Another reason for subsidy is the fact that the province provides the municipalities with no means of recapturing the gains created by their investments of the taxpayers' money. One minor example is the \$4,200,000 that the TTC invested in building an entrance from the Dundas subway to the Eaton Centre. This investment of public funds brought direct benefit to the owners of that centre; it was financed from the public trough, and yet nothing went back as a result of the increased revenues that those corporations obtained.

I would refer the minister on this to the January-February issue of Incentive Taxation, which points out that the same thing has happened in other cities. I will just cite a couple of examples, because they go on for pages and pages with examples, "New York state taxpayers spent more than \$400,000,000 to build the New York Thruway, but land values along the route increased by much more than the \$400,000,000. A Life editorial in 1965"—which is hardly an NDP newspaper—said "that since the Toronto subway was built, the neighbourhoods around stations have experienced a small construction boom, and the land values have skyrocketed."

Hon. Mr. Snow: It went bankrupt. There may be some connection there; I don't know.

Mr. Philip: We are hardly on the verge of bankruptcy, if you check the finances of our party lately, Mr. Minister. If you could finance your ministry with the kind of increasing revenue the NDP has had in recent years, maybe you would be able to subsidize the TTC as well.

Mr. Riddell: You have got a captive clientele.

Mr. Philip: They are hardly captive from the Liberal Party. They seem to be coming in quite voluntarily in droves, Mr. Riddell.

Mr. Yakabuski: That's what is left over from what you send to the head office in the United States.

Mr. Philip: My consumer dollar is also going to the United States because of your policies. I am not referring to your policies personally; I realize you don't personally have any policies.

"A 100-square-foot plot purchased in 1947 for \$22,000 sold 10 years later for \$257,000. Likewise, the land owners in Staten Island in New York City pocketed a \$700,000,000 windfall because other taxpayers put up \$300,000,000 for the Verrazano Narrows bridge."

What I am saying is that you can see that transportation improvements have direct results on the corporations that own the surrounding land. Yet this government has done nothing in the way of taxing any of these companies for the kind of windfall profits they can get as a result of transportation policy.

Another very strong reason for provincial subsidy is that the TTC is being asked to provide a commuter service. People in my riding find it difficult to understand why, in going to downtown Toronto by TTC, they manage to be subsidized by something like six cents a ride, even though they are farther from downtown Toronto than somebody using

the GO train who is subsidized by an average of 97 cents.

[11:30]

Mr. Minister, if you're going to have the TTC provide what amounts to a suburban commuter service you have to provide the kind of finances that allow it to give that kind of service. As Metro Toronto is expanding, as we have the Scarborough and the Rexdales, as we have what in fact amounts to a suburban community, there has to be the kind of subsidy for the TTC to enable it to provide that kind of service.

Of course, it doesn't. It's a very long process to go from Rexdale to downtown Toronto by bus. If you happen to want to travel across the north of the city, it's even longer because of the tremendous number of bus changes needed.

Given these benefits to public transit through urban developers, I find the 13.7 per cent subsidy for operating costs completely inadequate. If one looks at other jurisdictions there seems to be no rationale for 72 per cent of the costs being covered by the fare box. Only 48 per cent of the operating costs come from the fare boxes in Montreal, 35 per cent in Vancouver; and considering that most Ontario systems are facing increasing deficits, one wonders where your transportation policy lies.

By the same token, when we appeared before the Toronto Transit Commission, we offered a number of fairly concrete proposals. For example, we suggested that a transit ridership improvement plan be initiated by the government.

Fewer people rode public transit last year in places like Toronto, Kitchener, Mississauga, Sault Ste. Marie, Thunder Bay and at least 10 other Ontario cities. Your choice is: Are you going to dismantle the public transportation system the way your government is dismantling the health-care system, or are you going to take the initiatives to save a system which, by and large, in Toronto and some of the other cities, has proven to be a fairly effective system, a system which needs to be expanded, not withdrawn, as seems to be the case?

We are suggesting a fund that would grant loan and start-up money to any Ontario transit authority which presented an innovative plan to increase ridership and efficiency in its system. The problem now is that municipal transportation systems, if they want to experiment, have to take the brunt of the cost of those experiments which happen to fail. I suggest to you that the conservative approach most politicians will take in a circumstance like that, knowing that out of 10 experiments

five, or seven or maybe even nine are going to fail before they get the right one that works, will be to say: "I'm not going to take the chance. It's easier to go with the old ways and not be ridiculed by the public for having spent a whole lot of money on a system that just didn't work out." I suggest to you that only if the seed money for those kinds of experiments comes from the province are they going to take place.

Ottawa experienced the problem of experimenting and being penalized because the cost of the experiment had to be passed on to the user.

Mr. Cunningham mentioned the \$55,000,000 that is going into ultra-modern technology through the Urban Transportation Development Corporation. I say to you, Mr. Minister, that had even some of that money been given to the municipalities to develop their own experiments you would have had a lot better return on your research dollar. By the same token, the Ministry of Transportation and Communications underspent its allocation for municipal transit by \$21,000,000 in each of the last two fiscal years. There was money available there that could have been used as start-up money, as experimental money, as seed money to municipalities to initiate their own experiments in public transit.

This government likes to talk about deregulation and trying to be responsive to the little guy who wants to do his own thing, but when it comes to municipalities wanting to do their own research they can't get anything from this government. The one exception has been some of the experiments in transportation for the disabled. You spent all of this money on UTDC, a highly centralized organization doing experiments in an area that the municipalities have already clearly shown and demonstrated to you are not related to their needs, and yet these municipalities can't get assistance from you.

I'd like to deal briefly with some of the points you made in your strategic planning guidelines, because I find them quite interesting. On page 10, I find the bottom planning strategy to be kind of interesting. Maybe Mr. Cunningham will also want to comment on it and tell me whether his interpretation is the same as mine.

It says, "To determine and promote those ministry activities which stimulate the economy, boost industry and create jobs." I see that as being the equivalent of saying that you're going to use transportation in a planning capacity, but I've seen no evidence of it. I certainly saw no evidence of it in the budget last night, where transportation costs will certainly go up, at least in the transporta-

tion of goods industry, as fuel costs are going to go up. Certainly there is no evidence of any kind of economic strategy to develop industry in regional areas, which the transportation system then would dovetail into as a planning tool. I wonder what that third planning strategy really means.

Where are you going with that? How is transportation going to be used as a planning tool? When we questioned Ontario Northland Railway officials, they weren't too sure about that. They said they didn't know whether the original objective of using Ontario Northland as a planning tool really applied or not. I remember Dick Smith, who was certainly one of the most capable members of this House.

Mr. Riddell: A great member.

Mr. Philip: A very great member, yes; and a man who understood transportation and who asked some very relevant questions.

He was flabbergasted by that. He said, "How can you possibly have an objective, and then suddenly a couple of years later, say you don't really know whether that's an objective or not?" One wonders what kind of communication there was between the ministry and that particular body in terms of economic strategy. I'm sure that my colleague, the member for Algoma (Mr. Wildman) will have a number of comments on that when he deals with some of the transportation problems in the north.

I turn to page 20, which deals with some more strategies. The second one interests me. It says: "Finalize provincial jurisdiction for cable regulation with the federal government." The minister will recall that over the years I've been very critical of the government in not taking a more visible stand, along with the provinces of Manitoba, Saskatchewan and Quebec, in their fight with the federal government over the jurisdiction of cable companies. I find this an interesting kind of statement now, in that suddenly the ministry seems to be moving in some direction but we're not really sure what that means. I'd like some explanation. I'd like to know what direction the minister wants to go in terms of pay TV; what his feelings are about it; how the cable companies will be used in that kind of system; how he's developing a policy with them; whom he's consulting with and so forth.

On page 22, we find a number of interesting strategies. I could go on for hours about some of these strategies, but I'll just deal briefly with a couple of them that catch my eye.

On implementing government purchasing policies, the one I found particularly amusing was, "Shop Canadian or require Canadian

content." I've asked the minister where the Canadian content is in his present reciprocity agreements that seem to be simply a form of deregulating the trucking industry and allowing all of these American gypsies across our border to carry the goods that our present carriers should be carrying. If reciprocity means deregulation, which I had never heard the minister say that it meant; if reciprocity means, as so many of the trucking companies tell me, "buy American" in terms of transportation, then I think you'd better renegotiate your reciprocity agreements or improve your enforcement, either one or the other.

"Develop better understanding of relationships between regulation, competition and the economy." I thought a number of very good understandings of that relationship were presented in the select committee on the highway transportation of goods. I'm wondering where that understanding is today. What is the minister's timetable for implementing all of the recommendations of the report? I'd also like to know which of the recommendations the minister is determined not to implement.

"Decrease red tape impediments on trade and commerce." I recognize one or two recommendations of the select committee have already been dealt with in this regard. I'd like to know the minister's plans in this direction, because certainly that will meet with the support not only of the trucking industry but also of the opposition critics.

"Investigate implications of permitting oversized, overweight shipments on specific routes." That's something I think I asked the minister about in the last estimates. I'd certainly like the minister to give us an update on that. A number of us are getting letters of complaint about piggyback operations and a number of things like that.

I think there's a lack of understanding. We have to look at some of the more modern equipment and see what it does. I really wonder about some of the more obsolete equipment and whether the ministry has done any studies as to who is having the accidents. Is part of the industry being blamed for those that may be using the more obsolete and inadequate equipment of the past? We just don't know the answers, and I'm interested in finding out because some of the trucking companies are worried about some of the other fellows who are on the road with them. When one of these things overturns, it can overturn on them just as easily as on a Volkswagen that happens to be in front of it.

I could go further and deal with some of the strategies but I can see our time is

running out. I'll deal with them in the specific votes.

I would, however, like to say not only has the government not had any consistent, identifiable policy, but when other people come up with innovative systems, the government seems terribly slow in responding.

Mr. Cunningham mentioned he and I met with some of your officials and the officials of other ministries in regard to the problem of extrication services. Extrication is the job of removing a victim from an accident with the maximum safety and speed possible. The accident victims in this province are being unnecessarily turned into cripples because the various government departments can't seem to get their acts together.

That's why I accompanied members of the Canadian Rescue Services when they made their presentation before the Interministerial Task Force on February 9. The minister's deputy was there and on my urging, Mr. Humphries, the assistant deputy minister, agreed to ask the minister at least for temporary funding for this organization. It must be admitted there are many problems in trying to see who has the final responsibility for it. I recognize that problem. Is it the Solicitor General; is it the Ministry of Health; is it the Ministry of Transportation and Communications? In the meantime, people are dying on those roads or they are being turned into cripples. All we asked Mr. Humphries to take back to you was the request for interim financing to this organization. It would allow them to continue their training program until a policy is made.

We recognize the difficulty in co-ordinating the ministries. We recognize the rivalries between the OPP, between the fire departments, between the ambulance services and so forth. I know it isn't an easy task to come up with a program that integrates these, but in the meantime let's at least provide the kind of training that will allow people to save lives and teach people how to save lives.

[11:45]

Last year the Simcoe rescue squad saved at least three people from being quadriplegics; which really isn't a bad return on \$30,000, when you come to think of it. Canadian Rescue Services suggested an administrative budget of \$275,800 to co-ordinate, promote and train the necessary personnel required by the province to set up rescue units in the most efficient and inexpensive manner. We asked for even less at that meeting. We said at least give them funding to do the training. Mr. Humphries was to bring that back to you.

It's interesting to note that the report of the select committee on highway safety, tabled by my colleague Fred Young in September 1977, called for a provincial crash rescue program. In December 1977, the then Solicitor General, John MacBeth, who was familiar with the program, wrote to the city clerk in Barrie, admitting that the objectives of the unit were desirable. But it was not until April 1978, Mr. Minister, that you stated you were finally getting in touch with your colleagues to try to co-ordinate action. I say that's a reactive approach; not an active approach.

Mr. McMurtry's brother, who is the top physician at Sunnybrook Hospital, I believe, has estimated that one quadriplegic costs the taxpayers something like \$1,700,000 to keep on the basis of a life expectancy of roughly 20 years. So what we're talking about is peanuts in terms of the total cost.

I am saying to you that those people who are being turned into vegetables on the highways cannot wait for the various ministries to get their acts together. In the meantime, the Simcoe rescue squad and other groups which have shown that they have initiative and can do the job should at least be subsidized until the policy is intact.

My friend and colleague Fred Young will be dealing with some aspects of the report of the select committee on highway safety. The area I am particularly interested in is driving schools, and I notice there's no policy yet in place on the co-ordination and regulation of the driving school industry. The driving schools have asked for it; clearly the Ontario Safety League has said that it doesn't feel either competent or willing if there were another body to act as a regulator.

I notice in the London Free Press that Ken Squire of the London outlet of Young Drivers of Canada said: "The transportation ministry report suggests that the turnover of teachers giving in-car instruction in high-school courses is exceedingly high." I would like to know what facts and figures the ministry has on that. I know the turnover certainly is high in some of the driving schools, although some other driving schools report that they have kept the same staff for as much as 15 or 20 years. There's tremendous instability in that, and I'm asking where the ministry is going on that.

Lastly, I would simply like to point out to the minister—I know he reads all of the newspapers and catches everything of tremendous relevance to transportation, but I thought he just might have missed an article in the North Bay Nugget.

Hon. Mr. Snow: I don't read NDP papers.

Mr. Philip: I don't think that's NDP. It may be; I don't know.

I would like to point out to him a report headlined, "Garfield No-Show Buried in Snow." The story is from a place called Thibeault Hill.

"Groundhog Day '79 appears to be on the verge of complete collapse. North Bay's official spring forecaster is simply not going to be available this year. It turns out that Garfield Groundhog is buried and a throng of reporters and photographers and frost-bitten spring-lovers have been tramping all over Thibeault Hill for several hours in a vain attempt to locate him."

The report goes on to speak about the tremendous conflict over who is responsible for snow removal.

Here we have the chief forecaster of this town snowed in. I suggest to you, Mr. Minister, that perhaps not only do you have to get your act together with the other ministries in terms of extrication, but in this case, when you've got a principal member of a community who can't get out because he's snowbound, then you better look at that situation and get that cleaned up as well.

Mr. Cunningham: The groundhog is the NDP candidate.

Hon. Mr. Snow: I have a little problem with that last one about a snowbound groundhog. That's interesting.

Mr. Philip: I think it was all the fault of your roads department and we had better bring it up under that vote.

Hon. Mr. Snow: We better have a royal commission into that one.

Mr. Cunningham: The groundhog was on his way to a poker game at Merle Dickerson's.

Mr. Philip: Ask the MPP for Nipissing, Mike Bolan.

Mr. Cunningham: You really saved the groundhog a lot of money.

Mr. Philip: He was quite concerned about the whole matter. I'm sure you may want to consult with him.

Mr. Havrot: Get the staff of the North Bay Nugget.

Mr. Cunningham: You always do well in that paper.

Mr. Havrot: Some days.

Hon. Mr. Snow: Mr. Chairman, I shall try to reply briefly to the matters that have been brought up by the critics in the lead-off statements. Mr. Cunningham commented on the timing and the scheduling of the estimates. I assure him that I did not have any major input into the scheduling of the dates on which these estimates were to be considered.

Last year, because of the scheduling of the House leaders and other things that took place, we ended up quite late in the season. This year, when I was asked by my House leader when I was ready to go on estimates, I said I was quite ready to go anytime. I'm very flexible. The House leaders of the three parties, as I understand it, decide on the timing of these estimates. If Mr. Cunningham is not happy with the timing of the estimates, I would suggest he should discuss it with his House leader.

Mr. Cunningham: I have.

Hon. Mr. Snow: I certainly put no pressure on to go late last year or early this year.

Mr. Philip: The Liberals approved of that.

Mr. Riddell: If we're going to talk about snow removal, maybe the timing is appropriate. Obviously, winter isn't over yet.

Hon. Mr. Snow: It may very well be. I welcome the opportunity to go early and discuss our estimates before the fact rather than after. Last year when we discussed our estimates, I would say that 90 per cent of the funds we were discussing had already been distributed. I realize everybody can't go early, but I think it's more appropriate to discuss the 1979-80 construction program now, rather than after the jobs are all done in the fall. I suggest to Mr. Cunningham that he make his views known to the House leaders. I will be available any time they want to discuss estimates.

Mr. Cunningham made numerous comments regarding the Ontario Highway Transport Board and asked whether I was kept informed of the operations of that board. I would point out that the board by its nature is a quasi-judicial body, like the OMB or like other regulatory bodies, such as the CTC and the CRTC in Ottawa. It's imperative that those boards operate to a considerable degree in total independence. They have to operate within the legislation and the policies of the government, but I don't believe that it is necessary for me to be, nor that I should be, in day-to-day contact with the board or trying in any way to influence them in their considerations.

I recognize Mr. Cunningham's comments on the UPS case. It was the biggest and most lengthy case the board had and a very difficult one. I must say in looking at a lot of the information and at a lot of the support for the application and opposition to the application, with due respect to the former chairman and his colleague who sat on that case, they had a very difficult case. I have to agree with Mr. Cunningham that it would be difficult to make a decision based on so much

evidence on both sides, but the board did make a decision.

I have to say, and I would say it if Mr. Shoniker were here, that in no way can I as minister condone the actions of the former chairman in requesting the particular individual to assist him in writing the decision. On the other hand, I fully understand his desire to have some legal assistance in the writing of that decision. If the chairman of the board had requested additional assistance he could have had it; as also if he had requested assistance from the legal department of my ministry or if he had come to me or the Attorney General requesting an outside counsel, as he did, I must say, on a previous occasion. When the Gray Coach rehearing came up, he requested an outside counsel to assist him in the hearing. He requested an accountant or an auditor to help in that case in evaluating so much financial information. When he made those requests for that type of assistance to me, it was readily arranged and granted and it would have been for this decision, too.

I think Mr. Shoniker acted in good faith; I don't think he intended in any way or thought in his own mind that he was doing anything wrong. But he did take this action, which as I say I was as surprised at as anyone else to hear of.

On the matter of the rehearing now before the courts on a technicality, before I requested a rehearing of that case I discussed it totally with the Attorney General (Mr. McMurtry) and took his advice. What we agreed upon was the only real thing to do. One thing bothers me in this whole situation of appeals to cabinet, and appeals to the court. It seems to me that these are being abused in some cases.

Mr. Cunningham: This isn't one of them.

Hon. Mr. Snow: No; just let me tell you what I mean by that.

It seems to me this is sometimes a delaying tactic. If you apply for a licence, which I as a trucker had opposed, and the licence is granted; if you are going to be in competition with me and if I can in some way muster up an appeal to the court or an appeal to cabinet and delay its issuance, maybe not stop you from getting that licence but delay it for six months, it allows me to get established or at least to have that much more time without competition.

Mr. Cunningham: That is exactly what is going on here.

Hon. Mr. Snow: I don't think I wish to comment any further on this, as it is before the courts. But I think this takes place in

OMB appeals. If one developer can appeal a case of another developer before cabinet and delay him from getting started for a period of time it is to his advantage. I don't think that this is what is meant in providing for such appeals. But that provisions is there and that can take place.

Mr. Cunningham: Could I get in a question here on this point? You can answer it later or now if you want. I am not familiar with the legal technicalities of this particular situation, but I was of the view that CP was making its case primarily on some question about section 17 and the rights and privileges of the minister with regard to the ordering of a rehearing.

I gather it was really a red herring. They were more or less saying you had directed, probably as a result of what you felt had to happen and as a result of the communication from the Attorney General to yourself, that a rehearing should take place. CP was resting its case primarily on the basis the communication to the board had to be directed by order in council. They drew that distinction. Then, on that basis, they questioned the right that you have as minister to direct a rehearing. Am I correct in that?

[12:00]

Hon. Mr. Snow: I have not taken any active part in that particular court case. I am not involved. It is an application to the divisional court to rule, as I understand it—I haven't had any particular legal opinion or briefing on it—as to whether the board has the right to review it. This was an appeal to the board, as I understand it, or an argument to the board, saying it did not have the right to rehear it. The chairman of the board, as I understand it, referred it to the court to get a ruling.

Mr. Cunningham: I haven't got it with me, but section 17 outlines it quite clearly. It was my view, and maybe Mr. Gilbert or somebody in the room might clarify it for you, that CP was hanging its case on the fact that you had directed it; whereas the legislation, if I recall, requires that it be an order in council; that is that it be a cabinet directive as opposed to a ministerial directive, a very fine point.

Hon. Mr. Snow: I hadn't heard of that argument. I am not so sure, Mr. Chairman, that we should be discussing this when it is before the courts. No one has made the point to me that there is any argument about whether it was my letter requesting the rehearing rather than an order in council. I understood the question was whether or not the board had the right to rehear it. Un-

fortunately, it is delaying the whole matter. I am not saying if UPS should or shouldn't get their licence.

Mr. Cunningham: I don't think anybody in this room would want—

Hon. Mr. Snow: It has yet to be decided. I think it has to wait until the divisional court rules on this action. Who am I to deprive CP or anyone else from taking actions they feel to be their legal right?

Mr. Cunningham: I was sensitive to what you had to say about potential delays, et cetera. I will editorialize, on my part anyway, in that I think that is exactly what is going on in this particular case. The effrontery of that company in questioning your ability to have a rehearing is just indescribable.

Hon. Mr. Snow: I guess we have to wait and see what the court says. If the court says the minister does not have the right to order rehearings in cases like this, then we will have to consider whether we should change the legislation to give the minister that right.

Mr. Cunningham: If the minister doesn't who the hell does?

Mr. Philip: May I ask a policy question on this while we are on it—without in any way going near the present court case, I don't want to be sub judice. Has the minister ever come down with any policy statement dealing with applications of "foreign companies"? I look at UPS, that's the one making all the noise, but in fact All Trans is a giant compared to UPS in world terms. It is a foreign company.

Hon. Mr. Snow: To answer your question quickly, the government has not given any directions to the board, to my knowledge, in dealing with applications, to take into consideration of the case the ownership of the stock, Canadian-owned or otherwise. I think in this particular case any review of foreign ownership falls under FIRA. In fact, I guess that is partially the reason behind the UPS application, is it not? UPS applies to purchase a couple of Canadian companies which had licences and was turned down by FIRA. I believe that was the case; then UPS applied for its own licence.

Mr. Philip: I guess what I find difficult to understand—and maybe I just don't understand the implications of both FIRA and its influence on your ministry—but we get all this flak over one company called UPS. I won't go into the merits or demerits of the company. I think there is a lot of evidence on both sides. But All Trans seems to come in here; it is a large multinational foreign company; it is less visible than UPS; you don't

see those little brown trucks or anything. It operates under a variety of names. Suddenly everybody is all excited about this American company. But All Trans Express Limited manages to come in without any problems and expand its empire into Ontario and into Canada without any publicity or flak, or the ministry or the federal government looking at it I just find that a little unusual and I wonder why the focus is on one company?

Does the minister have any insights into that?

Hon. Mr. Snow: The focus, if any, on United Parcel Service, is because of the major application UPS made and the publicity which the hearing received.

Mr. Philip: The secret, then, for a foreign company, is to come in in pieces, then it won't have any problems. But the moment you come in and apply for a major licence, then the heat comes on.

Hon. Mr. Snow: I'm not sure the heat on the application was necessarily because it was a foreign company. I never heard that. Mr. Gilbert pointed out that a Canadian company is making the application—an Ontario company.

Mr. Philip: UPS is.

Hon. Mr. Snow: Yes; UPS is a Canadian company owned offshore; owned by shareholders in the United States, as I understand it.

Mr. Gilbert: To go beyond that, as the minister said, you get into the federal review agency, which should be the same whether it's UPS or any other company.

Hon. Mr. Snow: As I understand it, anybody coming into Canada to start a new business, or take over an existing one above a certain size, has to appear before the Foreign Investment Review Agency.

Mr. Cunningham: What was ironic in this particular case was that FIRA supported the acquisition by Thomas Nationwide of Australia, through its BC subsidiary All Trans Express Limited, of the Frost Family's Western Dispatch Company without any difficulty, whereas FIRA turned down United Parcel Service's proposal to buy a couple of existing companies which were almost bankrupt.

Hon. Mr. Snow: I am not privy to any information as to why FIRA would approve one and not the other. As I understand it, FIRA's policy is that it will approve these foreign investments, if there is significant benefit to Canada. They make up their minds on that particular point.

Mr. Wildman: On the advice of the Minister of Industry and Tourism (Mr. Grossman).

Mr. Cunningham: Absolutely.

Mr. Philip: Do you, as a provincial minister, or does the provincial government, have very much influence on FIRA in this?

Hon. Mr. Snow: I'm not consulted by FIRA in any case.

Mr. Philip: But surely the Minister of Industry and Tourism would be? If your objective, as outlined here, is to use transportation as an economic strategy or planning tool, then you no doubt would be working with the Ministry of Industry and Tourism on anything as important as major foreign companies entering the transportation field in this country.

Hon. Mr. Snow: The Minister of Industry and Tourism and his ministry, in responding to any inquiry from FIRA, would be quite free to ask for our advice or our input on any matters in which he thought we had an interest. I can't say that no one in the ministry has ever been asked; but I personally have never been consulted by him prior to his response to any application.

Mr. Philip: The point I'm making, though, is not whether you're consulted, but rather whether you initiate being consulted. If your objective of using transportation as a planning tool makes any kind of sense at all—if any of this document makes any sense at all; and I admit that it's a move in the right direction; that is, strategic planning guidelines—then surely this would be one area where you would at least want to make your policies and views known to FIRA on something as important as foreign investment in the major lifeline of the province. I wonder why the provincial government has not found some way of not only developing policy statements but making them known to the federal authorities? It makes these objectives on page 10 meaningless to me unless you do that.

Hon. Mr. Snow: To my knowledge, and certainly as far as I'm concerned, it is not my policy to object to foreign investment which is good for the country.

Mr. Cunningham: Could I ask, Mr. Gilbert, if you were consulted or if the ministry was officially consulted by Industry and Tourism on two specific occasions: on Thomas Nationwide's acquisition of Western Dispatch, and the United Parcel Service's acquisition of the two companies they were trying to buy?

Mr. Gilbert: As far as the former is concerned, I can't recall. I can find out, Mr. Cunningham. As to the latter, and perhaps Mr. Humphries will recall this, I think we had discussions several years ago about UPS. Bob, could you perhaps come up and shed some light on this?

Hon. Mr. Snow: I'm supposed to be responding to the items raised in the critics' remarks, items that were in the leadoff statements. If you want to get into a full discussion with staff I might as well give up.

Mr. Cunningham: I'm sorry, I got sidetracked. It can wait until later.

Mr. Philip: It's my fault, Mr. Minister, I apologize.

Hon. Mr. Snow: The next item I had down was the Burlington Skyway. I really forget a little what the comments were. They were somewhat political. I assure you the Burlington Skyway problem is a transportation problem, not a political problem. I made it quite plan in my statement—which obviously Mr. Cunningham either didn't read or didn't understand—that under the Environmental Assessment Act and the regulations thereto, and the assessment we have to do on this transportation corridor, there is no way at this time that we can make a decision as to whether it should be a bridge or a tunnel.

I said in my statement that what I feel is probably the most appropriate solution is the twinning of the bridge, but there would be a different environmental impact on the area with a bridge rather than a tunnel. There is at present a bridge there, which I am sure, in this area of economic problems we are having, we can't afford at this time to tear down and replace with a tunnel. We have to make use of that facility.

As regards what is stage one of our plan, which he states would not be necessary, I say this will be necessary in any circumstances. I think it is still going to be important to have ground level access across the Burlington Beach strip. It is going to be important for the city of Hamilton to help provide access to the industrial development at the east end of the project. We have been working with Hamilton, we have had meetings, we have approved special funding for the major program over the next two or three years on the Burlington Street reconstruction.

I will be the first to admit that this is a transportation problem that probably should have been under way now, if not finished. It is like many others that we have. The Highway 403 lanes out through Mississauga should be completed now, rather than in the early stages of construction, but because of funding levels we just have not been able to do it. This is a major problem. We have been looking at other possibilities, but we have decided we have got to tackle this problem. It is the major economic link in so much of the transportation. We have come up with a three-stage plan that we are proceeding with. The public information meetings have been

held, my staff are working on preparing for the environmental assessment right now, and we are scheduling work in 1980 to get the project under way.

With regard to the municipal bridge problem you mentioned, I'm sure we can discuss that in more detail when we get into the municipal roads votes. Mr. Gilbert and I were concerned that the number of municipal bridges that we didn't feel were getting proper maintenance or attention. Each year there has been a small number of failures of one type or another. Two years ago, I guess it was, I asked the municipalities to carry out inspections and evaluations on all their municipal bridges. I think every municipality in the province co-operated, to my knowledge, and we found what we had suspected.

There are a lot of these municipal bridges, many of them on very secondary roads and not heavily used roads, but many of them needed repairs of some type, some needed total replacement, some had to be immediately posted. But at least we got the information so that they could be posted if they were not safe for a full load.

[12:15]

We're in the process of working out programs with the municipalities. Every municipality is different. Some have no unsafe bridges whatsoever. Others will have a small one or two that may need some repairs. Others have a number that must be replaced. We're working out a program with them, letting them set their priorities for the most important ones, and we're doing everything possible to fund them within the limits of the provincial roads money. I have said that when we're considering supplementary allocations of subsidy to the municipalities this year we will be giving highest priority to supplementaries for bridge replacements or repairs rather than road work.

The bridge deck problem is one that we'll get some of our technical people to explain to you. We are doing maintenance on bridge decks. We announced recently in Mr. Philip's area that several decks there have to have maintenance done this year. It's going to be difficult; there are going to be traffic disruptions. I won't attempt to get into the real technicalities of the problem, but there is a problem and we're scheduling this work.

We have a problem on the Burlington Skyway. That deck has been there for 20 or 25 years and it's deteriorating badly. There was some maintenance work we wanted to do last year on the Burlington Skyway deck and we just couldn't find a way of doing it without stopping the traffic for lengthy periods of time and we didn't feel we could live with that.

Mr. Philip: That is one of the major problems in our area, as it is on the Burlington Skyway. You've got—

Hon. Mr. Snow: It's a problem. We did a lot of work on the Port Credit bridge on the Queen Elizabeth Highway last summer, and talk about having complaints. I got lots of them. We worked at night and closed off one lane or two lanes and left one lane open. Everybody had ideas as to how you could do it without stopping the traffic, but it's impossible. It disrupted traffic, there's no doubt about it. It's not something you can do in the wintertime. It has to be done in good weather. We call the tenders on those projects early in the year so we can be sure to get them done.

On the ones on the 401 and so on, we're going to work 24 hours a day so that the period of disruption will be as little as possible. But there's still going to be disruption and I can't do anything about it.

Mr. Cunningham mentioned the fruit and vegetable haulers' problem—the reciprocity, the enforcement. We could have a lengthy discussion on that. The reciprocity agreements, as you know, were recommended by the select committee. We've been very successful in signing these agreements with the states. I think we've got 18 or 20 states now with reciprocity agreements. We went ahead with those with the full support of the OTA. In fact, the fruit and vegetable people—individual haulers—were phoning me on a daily basis back a year and a half ago when they were being threatened by Georgia and other states. They were coming to me saying, "You've got to get us this reciprocity or we're going to be out of business." So we went ahead actively.

Mr. Philip: But they didn't envision that every yahoo who can buy a truck in Georgia would be able to come and run our highways without a PCV licence as being reciprocity.

Mr. Cunningham: We felt there would be licence plate reciprocity as opposed to operating reciprocity.

Hon. Mr. Snow: Yes, we can get into a long philosophical discussion on that. It is licence plate reciprocity, but the fruit and vegetables are exempt commodities in the United States. We have been having recent discussions and I will be coming forward with more information in the near future on how we deal with the problem. I just have to say that I think we would have had much more serious problems for the Ontario carriers if we didn't have the reciprocity we have now, and we can maybe take some actions to improve the situation.

Mr. Philip: They just wouldn't have been going at all if you didn't do something.

Hon. Mr. Snow: That's right. The fruit and vegetable haulers were the most affected in the trucking area, because it was Georgia, South Carolina and Florida that were raising hell. But there were others affected. Mr. Humphries, Mr. Larratt-Smith and myself went down to that reciprocity committee they have and met with them. We were successful in staving off that problem and getting the first reciprocity agreement signed.

Mr. Philip: Have there been complaints from the bus industry as a result of the reciprocity, or is everything okay on that?

Hon. Mr. Snow: I've certainly had no complaints from the bus industry; and not that much from the trucking industry either, really not that much. But the bus industry had the same problems. They were going to stop our charter buses going through Georgia and whatnot if we didn't get this reciprocity.

Mr. Philip: That's true.

Hon. Mr. Snow: Now there are one or two carriers that have been in touch with me that are really Ontario operators who want to register their trucks in Florida and put Florida plates on them because they're cheaper than ours, and operate with Florida plates in Ontario.

Mr. Cunningham: Delaware plates.

Hon. Mr. Snow: That's not quite cricket I don't think.

Both of you mentioned the Simcoe rescue squad. I don't downgrade at all the sincerity and desire of this group to supply a service. I'm not convinced in my mind this should be a responsibility of my ministry. We have actively participated with the other ministries involved in this interministerial committee. I have not had a report on their most recent discussions or what the committee is going to recommend to government. But taking on the funding of what could grow into a major new expenditure is something that would have to be an overall government consideration.

Mr. Philip: Mr. Humphries took on a commitment that he would bring back to you a specific request, at least in terms of temporary funding of the training operation.

Hon. Mr. Snow: When was that?

Mr. Philip: Wasn't that the promise you heard, Eric?

Mr. Cunningham: He promised he'd take the request back; he did not promise any assistance, if I recall.

Mr. Philip: That's correct, but the minister is just saying that he hasn't, as I understand it—

Hon. Mr. Snow: I don't know what you're referring to. Mr. Humphries will be here and you can discuss it when we get into the rest of the estimates, but he has not brought any request to me within the last few weeks in any case.

Mr. Cunningham: Jim, there's something you can consider on this point. I know we're getting off the procedure here, but this is important to me.

Hon. Mr. Snow: I've got a lot to go and I only have another 20 minutes.

Mr. Cunningham: On this, the government doesn't necessarily have to fund these guys, but if the government would recognize and endorse their activity—even partially fund—I can guarantee you the breweries, the distilleries, the insurance industries, who have a very vested interest in these types of things, would be very anxious to help kick in. It's a legitimization, I suppose, by the Ontario government that these guys would appreciate; just maybe 10 per cent funding or maybe a little more. I think we'd be setting up the kind of situation in Ontario that would in a short period of time be the envy of North America; I really believe that. I think the breweries, the distilleries, the insurance companies would love to get into these things. I just offer that for your consideration.

Hon. Mr. Snow: I'm sure all of these options are being considered by the committee, and my ministry is represented on that committee.

Mr. Philip: When is the committee expected to make a decision?

Hon. Mr. Snow: I can't answer that. I can find out where it stands and report to you next week.

Mr. Cunningham: Could you report back to us on it please?

Hon. Mr. Snow: Yes.

I know Mr. Cunningham made his comments on UTDC. I welcome the committee's interest in wanting to go to Kingston again and get updated on the progress. I know Mr. Gilbert went down about a month ago to review progress. I have not had an opportunity to see the Kingston facility recently. I see here we have a scheduling problem for that particular Wednesday because of another commitment Mr. Foley has. We can either go without Mr. Foley or we can put it off for a week, but we will work it out in the end.

Eric, I know this is your pet project; you like to criticize the Urban Transit Development Corporation—

Mr. Cunningham: No, it is not a pet project. We see a lot of money and no action.

Hon. Mr. Snow: I don't accept the fact that there is no action. There is a lot of action; there is a lot of progress being made.

You say we are wasting time by not proceeding with conventional systems. That is not right. If you had looked at the estimates, you would have seen the progress, the plans and commitments for expanding the GO Transit that you mentioned. We are working on other new things such as the private bus lanes in Ottawa and research on articulated buses.

You say we should be proceeding with more subways. I don't think there is anybody—

Mr. Cunningham: No. Anything conventional; anything that works. This doesn't work.

Hon. Mr. Snow: Nobody is proposing more subways at the present time, to my knowledge.

Mr. Cunningham: I didn't propose subways, but if there is a need for them, fine. That is what I said. But anything conventional. This is one of the most classic wastes and abuses of public money that I have ever seen.

Hon. Mr. Snow: You had your say. May I have mine, please? I didn't interrupt you when you were having your harangue.

Mr. Cunningham: You should have sold it when you had the chance.

Hon. Mr. Snow: I am not apologizing for UTDC. As a matter of fact, I would like to say that I had the opportunity some time last fall I guess it was, to attend the annual meeting of the Air Industries Association of Canada. This is a group of 400 or 500 companies, I think, in Canada involved, not in the flying end of it but in research and development and manufacturing—companies like Canadair, de Havilland, Garrett and Sperry. They were making presentations at that time to representatives of the federal departments of National Defence and Supply and Services in Ottawa regarding research and development projects in the defence industry.

I had the opportunity to explain to them how the Ontario government was carrying out research in a different way in the transit industry; how our UTDC worked; how we

subcontracted research out to the many other companies like Canadair, Garrett, Litton and so on. I must say that the representatives of the industry told me that, as private-sector companies, that is exactly the way they feel, the government should be operating. If they could get the federal government to subcontract out research as we are doing, as UTDC is doing, they would have absolutely no complaints. They were very complimentary about the way we are doing this.

Regarding the transit fare matters, there is no way the government is lessening its commitment to subsidy for operating expenses. We have a formula which some of you feel is not right. I happen to feel it is quite good. We could argue that point. I happen to feel that a reasonable share of the operating costs should be paid by the users. You could argue the user-pay principle on many things. I think the transit user has to be prepared to pay a reasonable share of the cost of the service that is being supplied to him.

Each year we have supplied an increased number of dollars for transit operating subsidies. I know you argue the 13¼ per cent for Metro for the first years of this program supplied them with 50 per cent of their operating deficit. It is an incentive for efficient operation, and I think it is something we should have.

You commented at the same time that I supported STOL services. We did make a brief presentation to the Canadian Transport Commission, saying that we agreed with STOL services on Toronto Island. It had nothing to do with TTC fares or subsidies.

[12:30]

We are not being asked for any financial assistance for STOL service; it is a private sector application. We didn't support the particular application. We said we supported the general thrust of a STOL service and we do. We were not making any offer to put any dollars into subsidizing the STOL service. I still think it can be a very worthwhile part of the overall transportation system in the province of Ontario and I hope that in the not too distant future we can see STOL getting off the ground.

Mr. Philip commented on the handicapped transit program. This is an area where we did experimenting over the past two and half years with the five pilot projects. Prior to that we didn't have enough information that I could go forward to my cabinet colleagues and make a recommendation for a

uniform program for Ontario with any kind of a responsible estimate as to what this might cost.

We funded these five pilot projects; we worked very closely with the five municipalities involved; we gained a lot of information; we gained a lot of feedback from the public, and I was very pleased to be able to announce here a month or two ago, after putting all this information before my cabinet colleagues and after the budget considerations, that we would be proceeding with an overall transportation system for the handicapped.

It has received very good response. I have had a lot of response from municipalities and from people interested in the system supporting the guidelines that we have set down, and I am looking forward to all municipalities that want to proceed with the system doing so. A number of them are ready and raring to go and will be utilizing the new program immediately. There are others that will be coming on stream over a period of the next two to three years.

Mr. Philip: Can you report back to us, Mr. Minister, about the scheduling of those that are ready to go and give us some kind of forecast about how it is going to take off? I am not saying right now.

Hon. Mr. Snow: I know there are a number of municipalities, like Thunder Bay and Hamilton and Windsor, I think, that have the nucleus of a system there that will be able to be geared up and ready to go July 1, when the program becomes effective. Naturally, the five pilots are ready to go; they are in operation and they will be making use of it. I am sure Mr. Kidman, when he is here, when we are discussing transit, can give you an update as to the inquiries we have had from other municipalities.

You, Mr. Philip, brought up OHTB issues which I think were similar to Mr. Cunningham's that I have dealt with and will be able to deal with later. You mentioned the Rapoport report. I think we have responded relatively well to Rapoport's recommendations. I have never seen any report from anybody that any government ever accepted all the recommendations holus-bolus, but we have reregulated the R licences, we did put on the moratorium for a period of time, and we monitored the situation both with the trucking industry and with the aggregate and construction industries.

It is as important to make sure there is enough transportation available as to ensure that there is not too much, and the R licence

is a different situation to another licence. If you have a D licence, that D licence allows you to have one truck or 100 trucks, whatever you have got service for. The R licence is something different, where you are trying to control not only entry, but the amount of service available by those who have won their entry into the field.

I suggested to the chairman of the Ontario Highway Transport Board that the board hold hearings in each of the five regions of the province this spring to try to get a real handle on what the situation is in each of those five regions where the licence holders, the truckers, the construction industry, the aggregate industry and anyone else who is interested can come forward and say, "We have enough licences," or "We need 10 more," or whatever. Those hearings either have been held or are in process now. That will be of considerable value to the board in considering future applications.

You referred to the select committee and your so-called deregulation bills. Everybody talks about Bills 21 and 78, and so on, as deregulation bills. I don't know how many sections there were in those bills, but there was one section that had a degree of deregulation to it and the other sections were basically responding to recommendations of the select committee.

Mr. Philip: With the greatest respect, Mr. Minister, both I and the Liberal critic suggested we would be perfectly happy to pass those bills with the simple deletion of section 2, which was the deregulating section.

Hon. Mr. Snow: I understand that.

Mr. Philip: You could have brought it forth and got it through in 15 minutes.

Hon. Mr. Snow: I was not prepared to proceed on that basis.

Mr. Cunningham: Eighteen minutes.

Mr. Philip: Mr. Cunningham is a little slower than I am.

Hon. Mr. Snow: I decided I wanted more time to work on this. We have been working on it continuously. We have also been looking at some other areas, trying to streamline the operations of the board. We have been doing some in-depth studies at the board of board procedures. I hope within the not too distant future to be able to come before the House with a new bill, which I hope will gain your support and the support of the industry. I'm not saying it will be all things to all people. I have found out in this business, in the 12 years I have been around, if you think you're

going to make everybody happy you're not going to do anything. I do look forward to introducing a new bill in the not too distant future.

Mr. Philip: The feeling in the industry was the reason you didn't introduce the bill minus section 2 was as a way of punishing the industry that had lobbied against section 2. The attitude was, "If you're not going to take the bad things, then you're not going to get the good things either." You're saying some of those other sections will be brought back in a different form. Is that correct?

Hon. Mr. Snow: No, I didn't say that.

Mr. Philip: Oh.

Mr. Cunningham: What escapes me is if the rest of the bill was acceptable to you—and I felt that's why you introduced it—why couldn't we have passed it or why couldn't we have dealt with it? I don't think I'm being unfair when I say I think you're being a little narrow on it.

We could have passed that bill, sir, very quickly. We could have had the North Bay restriction removed and more competition up there. All those things could have been done. We would have supported it. We told you that, Mr. Bernier is wandering around northern Ontario saying it's the New Democratic Party and the Liberals who are doing it.

Hon. Mr. Snow: We had a lot of complaints about the North Bay restrictions being removed, but please let me finish up a few items here. Cabinet is waiting for me for an item upstairs.

The tow truck operators: We have discussed that before. Mr. Philip and I have a total difference of opinion on that.

Mr. Cunningham: I agree with Mr. Philip.

Hon. Mr. Snow: You can agree with Mr. Philip. You would regulate the hell out of everything.

Mr. Cunningham: Wait until we have to tow ONT 007 some time.

Hon. Mr. Snow: ONT 002. I disagree with provincial regulation of tow trucks. We can discuss that in more detail at a later time. I have encouraged the action of municipal regulation of tow trucks. I don't agree that municipal regulation of taxis and cartage is the disaster you say it is, and I certainly don't think that we, provincially, should be regulating taxis in Mississauga or in Hornepayne.

Mr. Gilbert is reminding me that Quebec got into the taxi regulating business and had a real disaster, and then got out of it.

Mr. Philip: Well, the industry certainly believes you should.

Hon. Mr. Snow: Mr. Philip went on about Toronto Transit Commission fares issue, and the people-moving policy of this government. He said we have no people-moving policy. I just have to tell you I think that is a bunch of bunk. In the province of Ontario, and in the TTC specifically, we have one of the finest transit systems in the world. GO Transit is an unqualified success. It was developed by this province and started 12 years ago and has expanded continuously since. We have people from all over the world coming to see it. When I was in Florida last year at those reciprocity meetings, some of the Congressmen there came to me. They had just come back from a trip to Toronto to look at our system. We had the minister from Australia and his deputy minister here last year. All kinds of visiting firemen and dignitaries come to see what we have here in Ontario, and they are all very jealous. We have 60 excellent municipal transit systems in the province which we have supported and will support very strongly.

I agree that there could be improvements in the synchronizing of transportation and land-use planning. This is something that is basically at the municipal level. I am sure I would be seriously criticized if I tried to tell Metro or Scarborough how they should zone the land along the new Scarboro light-rail corridor. But I still think it is something that Scarborough and Metro have to tackle. I said in my letter to Mr. Godfrey that we are prepared to co-operate and assist with staff in every way possible in coming up with guidelines for the establishment of these new corridors and the special operating funding until they reach a reasonable level of utilization.

Mr. Philip: With respect, I wasn't suggesting that you tell the municipalities how they zone. I was suggesting that certain corporations make tremendous profits as a result of transportation coming through—

Hon. Mr. Snow: I am glad they do; they pay tremendous taxes.

Mr. Philip: —and that they should at least pay part of the capital expenditure for those transportation systems.

Hon. Mr. Snow: The policy of our ministry, I'll tell you right now, is that if something is being done specifically for the benefit of a private industry, the private industry pays for it. I don't know whether you are aware of that. If intersection improvements are being made for a shopping centre, if a set of traffic signals are being put in that are required only because a new shopping centre is being

developed there, we do the work but that shopping centre pays for it.

Mr. Philip: If I happen to own land that you are going to put a subway system right beside and if it goes up in value from \$100—

Hon. Mr. Snow: I don't build subway systems. I provide assistance to the TTC and Metro Toronto to build them.

Mr. Philip: But you supply the financial assistance to do it.

Hon. Mr. Snow: I don't have the details of what you are talking about. You are saying something about the TTC's modifying a station for direct access to Eaton Centre. I don't know the financial details of that. I would be very surprised if there wasn't some financial arrangement between TTC and the Eaton Centre developers to share the cost or whatever of that connection. I don't know, but I would be interested to find out too. All I can say is if our ministry were making an access like that available for some private enterprise, an agreement would be worked out and the private entrepreneur would be paying his fair share of whatever the cost would be.

You say we have a lack of demonstration projects. I don't know of any municipality that I can think of that has come forward with a project that it wanted to try in order to improve transit. I don't know of any that we haven't supported. We have supported TTC very strongly with what I think they call their CIS program—this new computer system for radio-controlled buses so that they know where they are. Out in Mississauga, we have been funding heavily a program they have where people dial a number and find out what time the bus will be at such-and-such a stop so that they can cut down the headways to save money and still give service.

I have already mentioned the transit program for the disabled which was a demonstration project we carried on with five municipalities. We had dial-a-bus projects which didn't turn out very successfully, but they were tried and they were funded. They were one of the ones we didn't think was worth the money being spent, so we discontinued it.

Mr. Philip: How much have you put out as direct funding for municipalities for research into transportation last year?

Hon. Mr. Snow: I am not sure we had any requests, although we have certainly given them a lot of money for transit operating studies and so on. I can give you those details when we have the appropriate staff. I think when we want to discuss the contents—I could now but we've run out of time—on

the strategic guidelines, we can discuss those during the first vote of the estimates.

[12:45]

Regarding the driving schools, I'd just like to say, as I said in the House the other day, maybe you weren't in attendance—

Mr. Philip: No, I was in attendance, I heard your statement, but I wanted some details.

Hon. Mr. Snow: —in reply to a question, as far as I'm concerned one of the highest priorities in the ministry at this time after getting this trucking business straightened out is the driving school matter. I met with them; we've done a lot of work; we put out the discussion paper; and we got a lot of feedback. That's all been assessed and we are in the process of drafting a final ministry proposal for me to take forward to cabinet.

Hopefully, I will get approval and my intention, if it is at all possible, is to introduce legislation for first reading only before the summer and have an opportunity to discuss this in detail with all concerned during the summer. We will hope to go ahead with second and third readings in the fall. So, by the end of this year we will have that matter dealt with. I would have liked to deal with it sooner, but we had a lot of consulting to do and I must say I've had a lot of other matters on my plate at the same time. I can't give attention to everything at once.

Mr. Chairman: Thank you, Mr. Minister. With that, this meeting will be adjourned.

Hon. Mr. Snow: Mr. Chairman, I have to run, cabinet is waiting for me. But Mr. Gilbert has a comment to make on this trip to Kingston. They've got a date problem which Harold was trying to deal with.

Mr. Chairman: Okay, fine.

Mr. Gilbert: There is a problem in having Mr. Foley available on Wednesday; he's already made a commitment to be away.

Mr. Cunningham: Not Venezuela, I hope.

Mr. Gilbert: We're just wondering, could it be put off until the next Wednesday? Or

we can go ahead without Mr. Foley; we can go down without him.

Mr. Philip: How many hours would we have left the following Wednesday, can you calculate that?

Mr. Gilbert: The following Wednesday, the way I work it out, would be the last day.

Mr. Philip: You see, I don't mind it being the last day of the 14 hours, I just don't want it to be the last day of the 20 hours.

Mr. Gilbert: It's the last day of the 15 hours the way I work it out.

Mr. Philip: Then that's okay. I just don't want to interrupt the transport board inquiry, that's all.

Mr. Cunningham: The 25th? I'll have to get back to you on that.

Mr. Chairman: You'll have notices on your desks, but the next meeting of this committee I believe, will be Tuesday evening at 8 o'clock.

Mr. Philip: Yes, what's on Tuesday evening then? What are we dealing with, just the first vote?

Mr. Chairman: The same estimates, yes. The first vote.

Mr. Philip: I gather by the new standing orders then there will be no other speakers on the first vote. Then you deal with specific matters, is that correct? Unless there's a very specific item dealing with administration.

Mr. Chairman: That's right. We'll follow the details of each vote.

Mr. Philip: So it's likely then that we'll get around to the second vote on Tuesday night.

Mr. Chairman: It depends how much time we lose.

Mr. Philip: The old procedure of spending all the time on the first vote though will not happen any more.

Mr. Chairman: That's up to yourself.

Mr. Philip: No, it isn't; it's up to the chair.

The committee adjourned at 12:49 p.m.

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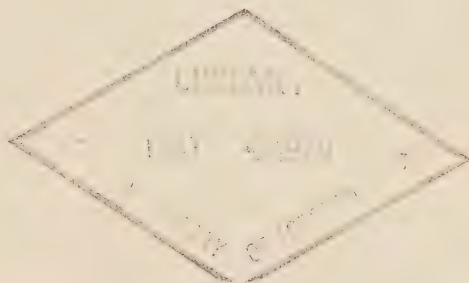
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Transportation and Communications



Third Session, 31st Parliament

Tuesday, April 17, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, APRIL 17, 1979

The committee met at 8:07 p.m.

ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

(continued)

On vote 2601, ministry administration program; item 1, main office:

Mr. Roy: Mr. Chairman, I'd like to take up a matter with the minister I discussed with him previously. Last week I asked questions of the minister about a government report which deals with what I consider to be a very serious situation involving the Queensway in Ottawa.

It is the main arterial road that runs east-west in the city. It's comparable to Highway 401. It's a structure that was built some 20 years ago, and since that time there's been what I consider to be alarming deterioration of the Queensway. Generally speaking, as one who uses the Queensway and one who's familiar with Ottawa and knows the volume of traffic on the Queensway, I know during peak hours it's overburdened and, secondly, when there's snow or rain on the Queensway it becomes exceedingly dangerous because the skid resistance is extremely low.

All of this has been confirmed, Mr. Chairman, by a report issued from the engineering and right-of-way office, Ministry of Transportation and Communications, in Kingston. The report is dated January 22, 1979, and I made a copy available to the minister at the time I asked a question. I forwarded to him a copy of the report.

Basically, the concerns I have about the Queensway are correct. The general problem is outlined in the summary where it says: "The Ottawa Queensway is congested, has poor skid resistance, and the pavement is deteriorating. It is therefore necessary to do some remedial work in the short run." On page two, he talks about the background and the skid resistance of the Queensway. He talks about the fact the skid resistance in many areas is very low, with skid resistance numbers based on wet pavement approaching those expected on an ice surface. That's a government report which says this, not a member of the opposition exaggerating a situation.

Hon. Mr. Snow: You never know, it may be.

Mr. Roy: No, no. I don't think you would want to say I wrote this report, Mr. Minister. It goes on to say: "The measured skid resistance ranges from 20 to 33. The skid resistance number of an ice surface is 19. The absolute minimum desirable is 27. Resurfacing the Queensway with specially designed mix would increase the skid resistance to a range of 42 to 47." That's the first problem with the Queensway. As the main arterial road going through Ottawa it carries a high volume of traffic because it also connects Highway 17 with 417. To consider an arterial road would be so dangerous is of great concern to us.

I notice in an article written by Don Butler in the Ottawa Citizen dated April 12, 1979, he talked to a Mr. Radbone about the situation. Mr. Radbone of the ministry office at Kingston stated he felt these figures were quite alarming, but he went on to say something I thought was interesting. He said, "The readings were based on a speed of 100 kilometers per hour. At 50 kilometers per hour, the skid resistance is adequate on the Queensway." As you know, if you went 50 kilometers per hour on the Ottawa Queensway, you'd be ticketed for going too slowly. I think the posted speed on the Ottawa Queensway is 100 kilometers per hour. If you went 50 kilometers an hour you'd get pulled off by the police. I just thought that was an interesting suggestion. It works out to be about 35 miles per hour. If you went at that speed on the Ottawa Queensway you'd be ticketed by the OPP for going too slowly.

The other problem is the ministry goes on to state the volume of traffic ranges between the figures "E" and "F". They consider "F" to be a breakdown of traffic and "E" is bumper to bumper traffic moving at 30 to 40 kilometers per hour with the occasional stop. That's the situation on the Ottawa Queensway. The reason I raise it, Mr. Chairman, is I notice in the proposed government construction program for the years 1979-80 there's no mention of any remedial work being done to the Ottawa Queensway apart from putting in noise barriers. As a concerned representative of the area, I'd like to hear what the

ministry has to say about what steps it has taken to resurface the Queensway.

Because of the volume of traffic and because of the low resistance factor, the accident rate on the Queensway is very high. The report says, "The poor conditions of the road surface, coupled with the extreme congestion, have resulted in accident levels as much as three times higher than the provincial average on freeways." With these statistics and this evidence emanating from a government report, I'd like to know what you have in mind for the Ottawa Queensway in the short run. I think you'll agree with me this is not a situation we want to tolerate much longer.

Hon. Mr. Snow: Mr. Chairman, I am quite prepared to discuss this particular matter, but I don't know whether you intend at all to follow the sequence of votes.

Mr. Chairman: Well, I think since he's not going to be here tomorrow I would consent if you were willing to discuss it.

Hon. Mr. Snow: I mean it's certainly vote 2604. It has nothing to do with vote 2601.

Mr. Chairman: I realize that, but the member will not be here on Wednesday.

Hon. Mr. Snow: I will.

Mr. Roy: Okay. Let's hear what you have to say.

Hon. Mr. Snow: If we're going to do all the votes in 2601, I have to have the full staff of the ministry here for the duration of your consideration of the estimates. If we're going to do the votes individually, as agreed upon by the committee, then I can arrange to have the appropriate staff here. [8:15]

Mr. Chairman: We should follow them as they are itemized in the book.

Mr. Roy: We often do this.

Mr. Chairman: On the other hand the question was asked and, as everybody was satisfied to allow him to ask it, so was I.

Mr. Roy: Mr. Chairman, occasionally in estimates, when we have a member who has been away and then come back, we are somewhat flexible with the rules. If I'm catching the minister off guard—

Hon. Mr. Snow: You're not catching me off guard at all. I just want to know today, when we're starting into the estimates, what the rules of the game are.

Mr. Roy: We do it for all members. All I'm saying to you, Mr. Minister, is that, if you don't have the answers, I'm requesting now you can take this as notice and possibly make a statement another time at least

to satisfy the citizens I represent in the Ottawa area.

Hon. Mr. Snow: Is it the decision of the committee that we deal with vote 2604 now?

Mr. Chairman: What's the decision?

Mr. Bounsall: If I may speak to the point raised; it has been traditional in the past that, under the main office vote, we sort of get in everything because it can all be construed to be a matter of policy at the top level. That's the way we have always operated.

Mr. Chairman: That's right.

Hon. Mr. Snow: It's also my understanding that we dealt with general policy in a very broad—

Mr. Cunningham: Mr. Roy wants to know your general policy on the Queensway.

Hon. Mr. Snow: Smart ass.

Mr. Bounsall: I was mentioning this to Ed Philip, who couldn't be here and who asked me to replace him and talk about some points. I said to him that under the main office vote I could talk about anything under the sun, because I can always relate it to policy. He said he thought there had been a change in the last set of rules that somewhat limited this but I haven't had time to check. But it has been traditional that, as long as you can tie your questions to a policy, this was permitted under the main office vote.

I'm easy. But I think we should have some sort of clarification. I'm easy, whichever way it goes.

Mr. Chairman: It's the committee's decision to make but I rather thought we could adopt a broad attitude about it.

Mr. J. Johnson: Yes. We follow the votes and items that we're debating at the time. Mr. Roy has suggested he has given the minister the questions he wants answered and he will be satisfied with answers at a later time. I think this will satisfy all parties. Let's proceed with the votes and items.

Hon. Mr. Snow: I'm quite prepared to deal with this item. I just want to know whether this is the way we're going to deal with all the estimates of the ministry—jumping from vote to vote.

Mr. Chairman: This is how it reads under "relevancy": "Latitude shall be permitted to opposition critics on the first item of the first vote of each set of estimates, and thereafter members shall adhere strictly to the vote and item under consideration." That's the interpretation I give it.

Mr. Lane: Mr. Chairman, it doesn't make sense to me to have the full ministry staff

here at all times in order to be able to cover any vote that comes up. I agree with my friend Mr. Johnson that, since Mr. Roy has suggested the answer be given at a later date, and in view of the ministry people who are here tonight, we should carry on with the votes the way they are listed in the book. I'm sure we'll accomplish more that way and we won't be jumping backwards and forwards and bringing in extra people unnecessarily.

We did agree last time that we would have five hours with the Ontario Highway Transport Board. That would be two sessions and would avoid bringing them down for a third session. I think it makes sense to carry on on that basis.

Mr. Roy: Mr. Chairman: I just want to make it clear to my colleagues here and to you, who have given me this latitude, that I'm quite aware of the rules covering estimates. It's always easier on the members and the ministry, especially a ministry as large as this one, if we don't have the whole ministry here for each and every vote, if we proceed methodically.

We give latitude to ministers sometimes to jump over one particular item and proceed at a later time, if a civil servant is absent, let's say. The only reason I raised it now is that I may have some difficulty in raising it at a later time and I wanted to get it on the record. I am quite satisfied, if the minister says he doesn't have the staff required or the answer to the question, that he respond to it at a later date.

Hon. Mr. Snow: That's not the situation, Mr. Chairman.

Mr. Roy: I'd appreciate it if you could respond to it now—with the consent of my colleagues.

Mr. Chairman: We'd better take a vote on this. All those in favour of Mr. Johnson's motion, please signify.

Mr. Roy: Put it another way. Can the minister answer now or do you want to wait?

Mr. Bounsall: Mr. Chairman, if it is possible to have a reply or even a partial reply to Mr. Roy, I'd be prepared to have it now; but hereafter we should adhere as strictly as possible to the vote.

Mr. J. Johnson: My only concern is, is this going to be repetitious?

Mr. Chairman: No, this is just for this first item, as far as I'm concerned. That's the way I interpret it.

Mr. J. Johnson: If it's an exception, let's leave it up to the minister. If he's prepared

to answer, so be it; if he isn't, we follow the vote.

Hon. Mr. Snow: I'm quite agreeable to this and I understand the situation. But on the other hand, as I said, it's going to be very difficult to deal with the estimates of a ministry the size of mine if this is going to be the format throughout the whole period.

Mr. Chairman: No, I made it very plain.

Hon. Mr. Snow: It has been a concern of my ministry for some period of time as to the problems we have on the Ottawa Queensway, as far as capacity of the Queensway is concerned. We realize that in rush hours it's a very busy piece of road. We have been conscious of this, I would say, for the last two to three years.

We have been working through our regional director in Kingston and Mr. Childs, the district engineer in Ottawa with the regional municipality, on the policy of just what are the best solutions to the problems we have with the Queensway.

The capacity problem is one thing. The problem of the deteriorating quality of the pavement is another. There is no doubt the pavement is in the neighbourhood of 25 years old in some sections. It's like any pavement, I guess, that has had heavy traffic and gets to that age: It starts to deteriorate. It's monitored by the ministry and resurfacing projects are scheduled within the overall maintenance program.

In Ottawa we have not only been looking at routine maintenance of a highway with adequate capacity; we have been looking at the needs to make improvements as far as the capacity situation is concerned as well. The ministry staff has been meeting with the regional municipality of Carleton and they have come up with options. I don't believe we have an agreement—to my knowledge—with the regional municipality. It's been very recently, if we have an agreement with the region as to what should be done as far as the capacity problem is concerned.

Certainly, in this time of very limited funds being available for all types of highway construction we should not be resurfacing a highway this year that we are going to be reconstructing next year if at all possible. We do not have any agreement in time, in 1978, when the program for 1979 is established. Basically our program for construction in 1979 is established about October 1978. In fact, right now we are in the process of establishing the program for 1980.

In our preliminary reviews of the 1980 program just a week or two ago, the district

still did not have definite recommendations to put before me for the Queensway. But in that initial review we did leave unallocated funds available for some work on the Ottawa Queensway in 1980 once the decision is made just exactly which way we should go.

You quoted figures to show we have three times as many accidents on the Queensway as we do on some other highways. I don't know whether or not I have the staff here tonight to answer that.

Mr. Gilbert: I would just add something to that, Mr. Minister. Quite frankly it is no secret, and I hope it isn't suggested this is any kind of secret report or anything. We work very closely with Ottawa-Carleton and the other regions in planning an improvement such as this even though, you realize, it is 100 per cent paid for by the province.

This is why, as the minister says, our staff was directed to go to Ottawa-Carleton. One of the whole problems was that we knew there was going to be an election and we wanted to get a reading from the new council coming in as to just what they wanted to go along with. There was some suggestion they didn't want to have any investment in any major widening, that they wanted to make intersection improvements and what have you and resurfacing. But we wanted to make sure we had a clear understanding from the region of what they were wanting.

As the minister says this is only recent, but they have opted for stress on the transit and improving the resurfacing of the Queensway and intersection improvement, with some widening in some strategic areas. This is what I understand is their agreement. So, now we are in a position to go ahead; we have a consultant going right now to come up with, as the minister has pointed out, areas that we can put into the 1980 program.

Mr. Roy: The minister talked about the accident rate and it is in the report. It says the low skid resistance and the high traffic volumes contribute to a high accident rate, ranging from 1.1 to 3.0 motor vehicle kilometre compared with the provincial rate of 0.9 per cent. Your own report says that.

Mr. Gilbert: I should add, Mr. Roy, that we are looking at some possible grooving for 1979 in some of those areas, of which we have done a lot on the 401.

Mr. Roy: I quite understand what you are talking about. The report talks about the different options you proposed to the regional municipality. But I would think

none of these options should delay in any way what has to be done, and that is the resurfacing. I don't see the resurfacing as being a factor in any of these options, in any event; you are talking about either widening the Queensway or giving priority to transit corridors, or widening the Queensway and investing transit corridors at once. Putting all those options aside and letting the region decide what you want in conjunction with yourself, it seems to me there should be nevertheless a high priority, in view of this report, to resurfacing immediately.

Mr. Gilbert: We have a high priority on that, Mr. Roy; in fact, the resurfacing would be part of the intersection improvements. They really are part of the same construction. You can't very well just go through and do, say, two lanes of paving, or what have you, and leave some of those intersections alone.

Mr. Roy: I understand that.

Mr. Gilbert: We have put a very high priority on the Ottawa Queensway. The minister has seen several reviews more or less by the region to bring him up to date on some of the options and some of the proposals the region is putting forward. But the region representatives were instructed to go back to the region to get a reading from them as to just what they saw for the future.

Mr. Roy: Yes, but when you say "high priority" for resurfacing, what are we looking at? What year?

Hon. Mr. Snow: I have already said that although we haven't allocated a particular project for the Ottawa Queensway for 1980, we are reserving money within the eastern regional budget to carry out some work on the Queensway—

Mr. Roy: Nineteen-eighty.

Hon. Mr. Snow: —once planning has developed to the stage that we can designate a particular job. When you get your green book a year from now, I hope that, provided agreement can be reached and the engineering can be completed, there will be work on the Queensway in the 1980 contract year.

Mr. Roy: Thank you, Mr. Chairman.

Mr. Bounsall: Mr. Chairman, I have under the deputy minister's office what is a policy decision. I have to illustrate it with an example from my own area. The policy decision is that the ministry funds, as I understand it, for construction of a four-lane divided expressway are on a 75-25 basis with the municipality—75 per cent from the min-

istry. If the municipality decides to go down to the next lower level of highway—which is four lanes but does not have the dividing median, just a safety barrier of some kind—the cost sharing is 50-50.

Would it not be reasonable and possible for the ministry to say—if that is the appropriate thing to do over a particular route; it is the E. C. Row Expressway in Windsor—that you will pay the 75 per cent share? By the contraction from the median-divided to the safety barrier it is a net saving in funds all around. The total is less, so therefore your 75 per cent is less and the city's 25 per cent is less. Yet if you went to the 50-50 the city's share goes up.

It is a problem in Windsor for just one section in particular of the E. C. Row Expressway. They have had to expropriate properties as they have gone to accommodate it, but they are in a particular bind over one small piece in that the choice is between a synagogue, which is very expensive to purchase, as opposed to a couple of single-family houses, or one whole row of a rather nice town-house development. It may be more than the whole row because of the way the townhouse development was built. Over that one piece, would you consider continuing to pay your 75-25, which you do on the full dividing median, but for a contracted safety-divided-only four-lane highway? With the total share being less, both the city and the ministry save money. In this time of cutbacks, that would be reasonable for both sides to do.

The Technical Advisory Committee and those at the municipal level, who have wrestled with this, are hesitant to propose this as a solution lest it end up at the 50-50. What would be the policy decision on that? Would it not be reasonable, particularly as the total cost would be less, to stay at 75-25 for what would be something outside your guidelines at the moment?

Hon. Mr. Snow: The E. C. Row Expressway is a signed agreement entered into a number of years ago between the province and the city of Windsor for development of an in-city expressway on a 75-25 basis. We are no longer entering into that type of an agreement. We are honouring the agreement we have with the city of Windsor. There are many other things relating to a change of design whether it would still be a controlled access road or it would not—

Mr. Bounsall: It would be.

Hon. Mr. Snow: The Technical Advisory Committee is free to come back to us with any type of recommendation it has. This is

not something I have heard about. I have had numerous meetings over the years with the city of Windsor.

Mr. Bounsall: The idea interests everybody who is involved but because maybe the old rules—I don't know what arrangements you now have when you don't enter into the agreements—if you go down to simply—

Hon. Mr. Snow: It is a 50-50 deal from now.

Mr. Bounsall: Yes. But I think even under the old rules if you go down to just the safety division down the middle of a four-lane rather than the median divider, then that was 50-50 under the old rules.

Hon. Mr. Snow: I don't think that's a matter of consideration if it's a controlled-access divided expressway—

Mr. Bounsall: Whichever way.

Hon. Mr. Snow: —whether it has a New Jersey barrier down the middle of it or a 100-foot median.

Mr. Bounsall: Is that right?

Hon. Mr. Snow: We're very flexible as you will see. Our own expressways vary considerably. In areas where property is not a problem it is usually less expensive to have a wide median that gives you the degree of safety rather than a narrow median. If you look at Highway 401 now we're changing from four lanes to six lanes without taking additional property by creating the other two lanes in the median, and, where there was no barrier before, we now have out where I think you've seen, west of Toronto, that formerly had the old post and flex-beam barrier, the New Jersey barrier on the latest section.

Mr. Bounsall: That's interesting because they've hesitated to suggest this for this section. It's only about a 15-block piece where there is a problem of having to choose one or the other and both are expensive. If you knock the synagogue down you can leave the town-housing. If you knock the town-housing down you can leave the synagogue. But to acquire either piece of property is quite prohibitive and they would like to contract it but they fear to make the suggestion because of the funding.

Mr. Gilbert: There are probably regional directors on the Technical Advisory Committee.

Hon. Mr. Snow: Mr. McCabe, our western Ontario regional director from London, is part of that Technical Advisory Committee.

Mr. Bounsall: But that would originate in city council and they have hesitated to bring this up.

Hon. Mr. Snow: I believe it's a Windsor agreement, that the city of Windsor is responsible for property acquisition, although we pay our 75 per cent share of property.

Mr. Bounsall: Yes. Well, they've got two really expensive pieces of property.

Hon. Mr. Snow: I know there have been property problems on the E. C. Row. I guess any widening or construction like that does have a lot of decisions to be made as to properties or businesses that have to be bought out.

Mr. Bounsall: No, they wouldn't plan on changing the concept of controlled access. It would still be four-lane. So we're very interested in the answer. It is just really required over this one piece. The property acquisition for the remainder of it is not a problem.

Hon. Mr. Snow: I assure you we don't want to be spending more money for property than is required, if there are reasonable and appropriate engineering solutions to the problem. On the other hand, with the large investments that have been made and will be made in the E. C. Row we wouldn't want to bastardize the whole length.

Mr. Bounsall: The narrowing, as you say, with this new kind of strip down the middle, would allow both the town-house development and the synagogue to remain. The elimination of the median would allow both to remain and there would not be the expense of acquisition of one or the other. Neither of them wants to disappear and there's a real hassle over the purchase.

Hon. Mr. Snow: If the Technical Advisory Committee comes forward with a proposal it will certainly be reviewed.

Mr. Gilbert: I am surprised the city representative hasn't raised this at the Technical Advisory Committee. It isn't a new committee that was just formed; that's been going for some time and I know over the years it has had lots of discussions such as this.

Mr. Bounsall: The municipality rep changes a little bit on this.

Hon. Mr. Snow: They have elections every so often.

Mr. Bounsall: That's right. That's the only question I had in the main office vote under a policy decision. Later on, I might wish to ask a question on the WCB and the women's program, and there may be other questions on the ADM policy stuff.

Mr. Nixon: There are just two matters on the minister's office, Mr. Chairman, that I would like to inquire about. They are really matters of policy in my view, but if they are not in yours I'll take your direction. It has to do with the problem on Highway 24 north of the city of Brantford, where the minister may recall, because of the policy of the city of Brantford, the road is restricted to two lanes, although it has at least four lanes on either side of this narrow strip.

As you may further recall, Mr. Minister, from letters and other communications we've had—and perhaps you may have heard from officials from Brantford—the bottleneck there is a rather serious traffic hazard. The development of the area has gone on extensively, but it seems that Brantford's refusal to co-operate with the widening of that road has to do with a whole separate matter of policy having to do with annexation of property and Brantford's belief that there has to be a change in the government there—I don't mean down here, I don't mean the local representation, but in the municipal government. Some of the people there have come to me, as they've come to the member for Brantford, complaining that they feel they are pawns in a political situation over which they have no control.

Hon. Mr. Snow: Is this part of the Brantford arterial road system?

Mr. Nixon: This is Highway 24; it is a King's highway.

Hon. Mr. Snow: But there have been some proposed changes down there. I met with the mayor—

Mr. Nixon: No, I think not. There is a quite well established arterial road system that has been planned and has been progressing slowly for a long time. It's, in my view, a very good system and one that the member for Brantford or others could concern themselves about.

What I am referring to is a short length of road that has been approved for widening by the ministry, by the township and by the city, but it has been held up now, I believe, for about 18 months.

I simply wanted to take this opportunity to recall the matter to the minister and, if he doesn't recall it, to ask him if he might take some advice on it, either now or later, because I want to speak on behalf of my constituents who feel that there's no reasonable explanation—

Hon. Mr. Snow: Is this north of Highway 401?

Mr. Nixon: No, north of Highway 403.

Hon. Mr. Snow: I'm sorry; Highway 403.

Mr. Nixon: That's the Snow highway, we call it. We're prepared to call it the James Snow highway when it's completed. We're not trying to urge you to build it or to do anything other than use your good offices and influence to indicate the very fact that it's a traffic hazard of sufficient importance to persuade the council of the city of Brantford to agree to the widening.

Hon. Mr. Snow: When I was down in the great city of Brantford on that cold day last fall—

Mr. Nixon: I remember the occasion very well.

Hon. Mr. Snow: —I did have a meeting with the member for Brantford, the city representatives and some of my own officials. I'm not sure whether—I know we did come back to the city; we've had correspondence since, and Tom Smith, regional director from central region, has been involved in meetings with the city—but I'm not sure whether this is the exact same section of road. This was from Highway 403 up to Power Line Road.

Mr. Nixon: It's in that section. Actually, the section of Highway 24 directly north of Highway 403 is in the city; but, as it comes to the boundary between the city and the township, it runs along that boundary for a very short distance. The argument put forward by the city is that they have other priorities for road work which more or less puts this down to a lower level, although three or four years ago they approved it on a priority basis. The contention is—and I agree with this contention—that their willingness to remove their approval is a part of the continuing discussions—we might call them that, not to put too fine a point on it—between the city and the county of Brant on an entirely unrelated matter having to do with changes in municipal government, annexation, the possibility of regional government, and so on.

Frankly, I think it's the responsibility of the minister, with respect, to look at the matter. In my view, and I put it to you very seriously, this constricted roadway offers a substantial bottleneck and a traffic hazard which has no place in the continuing discussions between the two municipalities on matters having to do with local government. It's a King's highway, you are the minister, I am the member and I express my view to you along those lines.

[8:45]

Hon. Mr. Snow: I think you have outlined the basic problems. The information that I have here is that the township of Brantford

is in favour of the reconstruction but the city of Brantford is asking us to defer the project. When we get this kind of disagreement with the municipalities we try to meet and sort these things out. We don't want to run roughshod over the wishes of either municipality but sometimes you do get a conflict of opinion between two municipalities, which appears to be what they have there.

The city apparently is arguing that it has higher priorities on other sections of the highway system in that area and it has asked for some changes in the expressway agreement that we have with them in that area, and we have proposed some changes. I have had several letters back and forward since I was down there last fall asking for clarifications of different points. I can't recall all the details, but I wrote to the mayor and proposed some changes to that agreement. They wrote back asking for clarification. I know Mr. Smith, our regional director, was meeting with them. I haven't had an up-to-date report in the last short while.

Mr. Nixon: Mr. Chairman, I certainly hope the minister, with advice, is able to grant all of the requests of the city of Brantford, but I would like to further point out to him that two years ago the city of Brantford had agreed completely with the widening of this short strip of road. I simply bring to the minister's attention again that it goes from the city street system, which is four-lane and in fact wider than that with turns on the road going north along Highway 24, and narrows to two lanes, a very heavily travelled section, because it approaches one of the largest shopping centres in the area, which happens to be in the township. If the minister can use his imagination and his experience in other areas of the province, he might understand that the city of Brantford is not that interested in improving the approaches to the shopping centre—

Hon. Mr. Snow: Which doesn't pay them any taxes.

Mr. Nixon: That's right, but the fact remains it is one of the most heavily travelled roads and it goes into a four-lane section of the King's highway out to and beyond the Power Line Road, which you mentioned. You may not be familiar with it, but in other words it's just a little bottleneck between these two relatively well planned and developed areas. I would just suggest to the minister that in the interests of safety, and I say this most sincerely, consideration should be given to simply moving unilaterally.

You might even have to find a few extra bucks, but it's a short section and I just sug-

gest to the minister that I and many of the people in the area would appreciate it if he would give it his personal attention. I would be glad if it would be possible if he or one of his assistants might give me a further report after he has accomplished that.

Hon. Mr. Snow: We are not really arguing with the need there at all. I think what we are trying to do is get a satisfactory political solution to the problem at the local situation. I think we tentatively have this now on the 1981 program, which is a couple of years away, and whether we can move that forward I guess will depend on two things—whether we can get a political solution or agreement, and on funds, of course. That is always one of our problems.

Mr. Nixon: I have another related matter that I would like to pursue but if you want to pass this around further, it is related to this. The minister indicated he was glad to visit the area. It was a cold fall day but he was opening a very important section of the new Highway 403 which took the road across the Grand River, which you hear of from time to time in discussions in the House on other matters. I think it was quite an engineering feat, perhaps not in relation to what the ministry does day to day but certainly on a local basis. It's a double bridge, sloping, and really we are very pleased and proud of the thing.

Hon. Mr. Snow: It withstands quite a wind pressure too. We noticed that.

Mr. Nixon: If you can believe me, Mr. Chairman, the wind almost blew the minister away, incredible though that may seem.

Hon. Mr. Snow: Well anchored as I was.

Mr. Nixon: He cut the ribbon with the assistance of other worthy political people in the area. The traffic is now making use of it. It extended the road about two or three miles. It cost the taxpayers from \$12 million to \$15 million; and that, along with other extensive work done in the area, means that even though I am in opposition, I have no great complaint about the allocation of provincial budgetary dollars for highways in the area.

That doesn't mean, however, that we don't want to urge the minister to continue Highway 403. He is aware that Highway 2 is used by the traffic from Hamilton right through to Eastwood where Highway 2 joins with Highway 401. West of Paris, I would suggest to you, Mr. Chairman, it is the busiest two-lane road in Ontario, with a very heavy concentration of truck traffic. Although there have been very serious accidents there, I am glad to report that it's not in what I think the ministry calls black spots or something like

that. I recall when I worked on the select committee on highway safety they had a designation whereby fatal accidents and others were indicated on a map with designation of the very serious areas. Probably the markings were referred to as black spots or black areas. There are accidents there, but thank God there have been very few serious ones that were directly related to the road itself.

It is, however, a standard two-lane road with very heavy high-speed truck traffic. It's very difficult to keep the shoulders up and so on. The minister and his predecessor, through great foresight, generosity and good planning, have acquired a right of way for the continuation of Highway 403 from the end of where it bypasses Brantford out to Highway 401. I know the minister has given his public and private assurances that it will be built just as soon as budgetary requirements permit, which doesn't tell us very much of anything.

I just want to be sure that I understand his views, that both that section and the section that goes over into the constituency of my colleague the member for Wentworth North (Mr. Cunningham), are continued and built as soon as possible. Highway 2 east of Brantford is presently a four-lane road, but because of the hazards there brought to the minister's attention by many people in the community, he has seen fit to reduce the speed limit to about 12 miles an hour, I think, or maybe 15; anyway it's a speed that my Chevrolet cannot travel.

Hon. Mr. Snow: At which your foot won't allow you to travel.

Mr. Nixon: I have my foot right off the accelerator and still the car will not go as slow as the minister's signs require. I don't travel the road very frequently, for which I am thankful, but it is a very important connecting highway between Hamilton and the golden horseshoe and the great and productive area of Brantford and points west. I don't know what response the minister can make, but I would like him to make it anyway as to the level of importance he assigns to the completion of that area of Highway 403. As I understand it, Highway 403 will terminate where it joins Highway 401 at Eastwood. Then, going eastward, it will go right into Metropolitan Toronto, where a good deal of work and a good deal of money are presently involved. What kind of assurances can you give my people?

Hon. Mr. Snow: Highway 403 is a project to which I give a very high priority. In this day of very restricted budgets our freeway program, as you may wish to call it, has not

proceeded over the past 10 to 12 years at a rate anticipated by the planners back in previous years.

As you know, sections of Highway 403 are completed from Burlington through to Ancaster, and from—not Duffs Corners, the other corners—through to Rest Acres Road, including the section we opened last fall. There are serious missing links in Highway 403, which is intended to be a major east-west freeway joining Highway 401, basically at Dixie Road in the Malton airport area, going through Mississauga, that great municipality of Halton, and on out through Hamilton-Wentworth—

Mr. Nixon: Does it go through Bronte Park?

Hon. Mr. Snow: —to the general area of Woodstock. We are working on that section of 403 from 401 at Malton airport down to what we call the "Oakville link," connecting with the QEW at the Ford plant; that is in the design stage, the initial contracts have been awarded.

The next highest priority section of Highway 403, or equal in priority I should say, is that section between Ancaster and Brantford. I realize this is in the riding of your colleague.

Mr. Nixon: Oh mine too; that must surely spur you on to even greater efforts.

Hon. Mr. Snow: It is obvious that riding boundaries have no significance, Mr. Chairman, with regard to construction.

Mr. Nixon: I appreciate that, Mr. Chairman.

Hon. Mr. Snow: A year ago I instructed staff that the section of Highway 403 between Ancaster and Brantford should go into our program. It is in the design stage. The first contract, not on Highway 403 per se—but a preparatory contract, is now in our 1980 program.

I hope you will agree with me that there is no way, in my mind, that I could see working from the Rest Acres Road terminus at the westerly side of Brantford going further west and, shall we say, opening the plug between Brantford and Woodstock until we have completed the section between Brantford and Ancaster. By opening that plug we would just be encouraging a tremendous amount of additional traffic to leave 401, for instance, and it would all end up on that section of undivided four-lane highway between Ancaster and Brantford.

We have a contract under way now on that section, to improve it. Another one will be awarded this year for a lot of intersection improvement and widening of that highway. I went down last year and looked at it

myself; I met with the people there. We introduced the lower speed limit; which has been helpful and which you don't agree with.

Mr. Nixon: How can you possibly say that?

Hon. Mr. Snow: I know. But on the other hand we have reduced the accident rate. I don't have the exact figures but accidents certainly haven't been as big a problem in recent years, since we reduced that speed limit. It is a very heavily travelled piece of road.

My senior officials advise me that regardless of Highway 403—and you don't build a 403 overnight—that section of Highway 2 is still going to be a very heavily travelled piece of highway, even after Highway 403 is built. So we are doing the improvement work, widening it out to four 12-foot lanes rather than the four 11-foot lanes that we have at the present time. I believe it will have a four-foot painted median, as we call it, plus partially paved shoulders and intersection improvements. That work is under way now.

[9:00]

As I say, the first contract is scheduled for our 1980 program as to the actual construction, getting bulldozers on the site, for that section of Highway 403. Offhand, I can't give you a schedule beyond that; but presumably we will be following along and completing that section. At the same time, the section through Mississauga is scheduled for completion about 1982.

When those two sections are completed, that still leaves two major blanks: one between the Mississauga-Halton boundary and the Freeman interchange at Burlington; the other section between Rest Acres Road and Highway 401 at Woodstock. We will proceed with those. We don't have either one in the design stage or in our actual construction schedule at this time, but hopefully when these other two major links we are working on now are completed budgets will allow the continuation of Highway 403 construction until it is totally completed.

We have a lot of construction of that type under way; not as much as I would like to see as Minister of Transportation and Communications, but Highway 402 from London to Sarnia—a job that is very close to the heart of one or two of your colleagues—is proceeding and has been proceeding for the last five years, I guess. We opened a section of it last fall.

Mr. Nixon: As I recall, that was slightly delayed to permit the Brantford bypass to

go forward on Highway 403, was it not? Do you remember that?

Hon. Mr. Snow: It was before my time if it was, but Highway 402 got under way and a section of it is opened now from Warwick to Sarnia. Two major paving contracts are awarded now that will allow it, hopefully, to be opened by this fall as far as Highway 81. There are two more grading contracts to award there that will finish the grading, then a couple of more paving contracts.

We have got a tremendous investment. You have got to look at the overall investment as we are building one of these major highways. You don't really get a return on your investment until you finish that last half mile, or whatever it may be, and you have the full use of the highway. We are getting limited use out of some of our investment in Highway 402 now. We won't get full return until the whole thing is completed. When Highway 402 is completed, two or three years from now, that will free up funds; X millions of dollars per year that have been spent on Highway 402 will then be available to go on to Highway 406 or 403 or 404, whatever the next highest priority is.

There are a lot of high priorities. In my mind, I have the whole thing mapped out as to what should be done to meet the growing number of vehicles we have in this province. Some people write and tell me we should quit building highways; there is not going to be any gas, nobody is going to have a car, and so on. But all you have to do is look at the statistics of our drivers and vehicles section and see the growth in the number of vehicles on the highways of this province, and you know that we just can't continue without adding more capacity. That's all there is to it.

Mr. Cunningham: I saw a new Meteor down the street.

Hon. Mr. Snow: Those are our priorities. I'm sorry it is a long answer, but those are our priorities on Highway 403. That is, first, to complete the section between the Ford plant and Malton airport; second, complete the section between Ancaster and Brantford; and then the other two sections, hopefully, will be able to proceed on a staged basis to complete the link across to Halton and the link from Brantford to Woodstock. But we can't open those plugs until the missing links in the middle are available. That is about the way it is. We hope the widening and resurfacing of Highway 2 between Brantford and Hamilton will give us reasonable relief of that capacity shortage until we can get Highway 403 completed.

Mr. Nixon: And improvement of Highway 2 west of Paris?

Hon. Mr. Snow: I am not exactly sure. I think we have some of that scheduled now as well.

Mr. Nixon: That's right.

Mr. Riddell: Mr. Chairman, I would like to raise two brief items under the main office item. I see an expenditure here of \$5,000 for a parliamentary assistant. If this expenditure can be justified, would it not be in the best interests of the parliamentary assistant to attend these meetings to learn a little bit about what is going on and what some of the members' problems are?

I am not being facetious; I sometimes wonder if this \$5,000 isn't simply being used to build up a member's pension. I would like you to prove me wrong, Mr. Minister, by levelling with me and telling me exactly which responsibilities you delegate to your parliamentary assistant.

Hon. Mr. Snow: I don't know where my parliamentary assistant is tonight, but he was at this committee meeting last Wednesday for the full period.

Mr. Riddell: I saw him here at the opening discussions but I haven't seen him since.

Hon. Mr. Snow: As I recall, he sat over where Mr. Lane is sitting. He may be on another committee; I am not exactly sure.

Mr. Riddell: What are his responsibilities?

Hon. Mr. Snow: Mr. Eaton does many things that I request him to do. Today he met a delegation that a member wished to bring in a council. I was tied up, booked at other meetings. He met that delegation and will report to me on whatever the business of that delegation was. He does that quite often. He fills in for me on many occasions, at meetings, speaking engagements, official openings or whatever it may be, where I am not able to be there myself.

Mr. Riddell: I take it he doesn't have authority to make decisions; he simply has to report to you.

Hon. Mr. Snow: No, he does not have authority to make decisions. As long as I am the minister and I have to live with the decisions that are made, I will make them. On the other hand, in a large ministry such as the one I have, a parliamentary assistant is very necessary, because it is just impossible for me to deal with all the policy matters and to be at all the meetings I am requested to be at.

Mr. Riddell: I wonder, in view of the government's restraint program, whether we can justify expenditures such as parliamentary

assistants' salaries when, on the other hand, we see hospital beds being closed down and things like that; but we won't get into that.

The second item is that in book about the 1979-80 construction program, I fail to see any red marks in the great riding of Huron-Middlesex. Does this indicate that no requests have come to you to improve our roads or to build new roads? Have you not had a request from the Huron county planning committee to do something about Highway 8, which is the only artery connecting Goderich to Stratford, Kitchener and Highway 401?

In Goderich, where we desperately need more industry and there is room for industrial expansion, one of the reasons industry doesn't wish particularly to locate there is that there isn't a more suitable artery for the transportation of goods from Goderich to Stratford, Kitchener and Highway 401. I am sure you have had requests to try to improve Highway 8, and yet we don't seem to be making any strides whatsoever in this regard.

Hon. Mr. Snow: As I say, I don't watch riding boundaries with any great degree of accuracy in establishing our program. We establish our program based on the needs of the highway system in that area. I would be very surprised if you are absolutely correct in saying there are red marks in your riding.

Mr. Riddell: I don't see any there.

Hon. Mr. Snow: There is quite a section of Highway 402 from the Lambton boundary over to the north of Strathroy, I understand this is in your riding. There is something like \$7 million or \$8 million worth of paving work, in addition to grading work, being done in that area. I remember sending you letters not very long ago advising you of the award of those contracts.

Mr. Riddell: But that wouldn't show on this construction program?

Hon. Mr. Snow: Oh yes; it is under London district. Take a look at London district, page nine. I guess none of the Chatham district is within your riding.

Mr. Riddell: I am sorry. I see Highway 402 north of Kerwood. Yes, Kerwood is in my riding.

Hon. Mr. Snow: There is quite a section of Highway 402. Huron Construction Company has two large paving contracts there which will complete Highway 402 over to Highway 81. I am not sure just when you came in, but I mentioned this when I was replying to Mr. Nixon. If you look at the Chatham map you will see the section from Warwick to the Middlesex boundary in red there on Highway 402.

Then if you turn over to the London map on page nine, you will see the section from the Lambton-Middlesex boundary over to Highway 81—in fact, just past 81 north of Strathroy. Then you will see all the red marks from there down to Highway 401. I guess most of that is in Mr. Eaton's riding. I am not sure where your boundaries are there, but that is down through Mount Brydges, Komoka and that area. If you turn to Stratford district, you will see a section of Highway 21 from St. Joseph up to Bayfield. I would think that is in your riding. It is north of Grand Bend.

Mr. Riddell: What page is Stratford on?

Hon. Mr. Snow: Page 14. You will also see a section of paving from Harrison over to Wroxeter on Highway 87. That is in Huron county.

Mr. Riddell: No, that is up in Mr. Gaunt's riding.

Hon. Mr. Snow: It may be, I don't know.

Mr. Riddell: It is in Huron county.

Hon. Mr. Snow: Basically, I don't think there is any doubt about it and you can ask any of the senior officials in my ministry, the highway system in western Ontario is in better shape than any place else in the province. There are less deficiencies in that section of the province.

You talked about a committee from Goderich and Huron on Highway 8. I have a pretty good memory and I don't recall receiving anything from them. There is a job on Highway 8 in the Kitchener-Waterloo area, I believe.

I know I had a delegation from the Bruce area wanting a four-lane divided highway to that area. I explained to them there was no way that traffic and need warrant it. If industry locates there and in turn develops the kind of traffic requirement that warrants a four-lane highway, then we will try to meet that need; but there is just no way, with the very pressing needs that we have in so many other places in the province, that we can start building four-lane highways as status symbols.

Mr. Riddell: I am not sure I am advocating a four-lane highway, but certainly a passing lane. I don't know if you have ever travelled on that highway, but if you get behind a truck you are behind that truck from the time you leave Goderich until you get to Stratford. There is just no possible way you can pass. Even passing lanes would help.

[9:15]

Hon. Mr. Snow: The passing lane program really started a number of years ago in

northern Ontario, consisting of truck driving lanes and passing lanes mainly on hills and long grades. Some place in this green book, if you look through it, you'll see how many passing lanes we have built over the years.

That program is very successful. We have started, to some degree, on Highway 10 for example, a highway that is of keen interest to a couple of your colleagues over on that side of the House.

Mr. Haggerty: There could be some improvements on Highway 10.

Hon. Mr. Snow: On Highway 10? I don't know where; because it has been rebuilt from one end to the other and a number of passing lanes and truck climbing lanes have been established. I travel that way myself. I travel Highway 6 quite often from the Guelph area right up to Owen Sound, and by God anybody who can say that there's a lot wrong with Highway 6 as a rural highway, I don't know what they can find to criticize really.

Mr. Haggerty: Some of those hills should have passing lanes on them.

Hon. Mr. Snow: No doubt they could.

We have a policy on partially paved shoulders. For example, we completed that section of Highway 7 between Acton and Guelph last summer. That was one of the first resurfacing or rebuilding jobs under our new program of doing this where we have a traffic count of over 4,000 cars per day. We have two 12-foot driving lanes, plus two-foot paved shoulders where these conditions exist. Now anybody who has driven on that particular piece of highway must have noticed the tremendous improvement with our new standard. At a relatively modest cost, even in today's terms, we were able to add those two-foot paved shoulders. Now that's not full depth pavement like the rest of the road, it's just top coarse; they widen the pavement from 12 feet to 14 feet and paint the white line two feet in. It save a considerable amount of money on maintenance, that is shoulder grading; and it's quite an accident preventer in those conditions where a car drops off the edge of the pavement and the driver may lose control. The trucks don't blow the fines and sand away from the edge of the pavement leaving a dropoff. We are using the method on Highway 401 between Highway 6 and Campbellville; that section of Highway 401 was resurfaced last year and has the two-foot paved shoulders. If you have driven there you have seen it.

It's our general policy. If any road carries 4,000 vehicles a day, or is expected to carry 4,000 vehicles a day within the next five

years, then when that road comes up for resurfacing it qualifies for paved shoulders.

Mr. Riddell: I must offer my apologies. I must admit that Highway 402 does travel through the southern part of my riding. That will make my Middlesex people happy. There is a bit of work being done in Huron. I'll give you more information on Highway 8.

Hon. Mr. Snow: I must admit I haven't driven Highway 8 for a number of years, but certainly I haven't received any delegation complaining.

I am not being facetious when I say that the highway system in southwestern Ontario is certainly above standard, both in quality and capacity, as compared with many other parts of the province. And we have a good county road system too.

Mr. Riddell: Yes, right. Another thing is quite often brought to my attention; I don't know what the answer is, but a lot of people who make inquiries think it would be a saving if the shoulders of the road were asphalted rather than gravelled, because gravel has to be put on every year and then a grader has to grade it periodically.

Hon. Mr. Snow: That's just what I've been talking about.

Mr. Riddell: Are we aiming for more asphalt shoulders or—

Hon. Mr. Snow: That's exactly what I have been explaining for the last five minutes.

Mr. Riddell: Yes, but just on provincial highways, or—

Hon. Mr. Snow: I don't know offhand of any municipality that is going for paved shoulders. In some cases, for example on connecting links, we are going for full paved shoulders.

In northern Ontario, if you look at the maps you'll note from Waubesa up to MacTier we had an experimental program a couple of years ago where we did about 30 miles of resurfacing of Highway 69, with full paved shoulders. If you look at the Huntsville district you'll see a program marked with red marks from MacTier to Parry Sound. That is a long stretch, and it's on page 63. That is a resurfacing and full-paved shoulder job. That allows slower moving vehicles—campers, house trailers and boat trailers—to pull over and let the faster traffic by. It's almost like a continuous passing lane, although the bridges and so on have not been widened and there is that problem.

We did a section up in the Kenora district, from Longbow Corners to Kenora, last year or the year before. It has proven very satisfactory. That's full paved shoulders as well. I think on a gradual basis that section of Highway 17 from Kenora to the Manitoba boundary, as it's rebuilt or resurfaced, will have full paved shoulders.

Mr. Riddell: If truck drivers see they are holding up traffic can they pull over onto these paved shoulders and drive until the traffic gets by, and then swing back onto the road?

Hon. Mr. Snow: Yes.

Mr. Gilbert: They are working quite well.

Mr. Riddell: Maybe this is all we need to upgrade a highway then.

Hon. Mr. Snow: It's a new thing, something we never had before. Previously, where we did have paved shoulders, on Highway 401 for instance, we always had signs up saying, "Do not drive on paved shoulders." A lot of thought went into our signs for this section from Waubauskene to MacTier. We don't say on the signs that a driver must pull over, but the highway sign says: "Slow-moving vehicles may use paved shoulder to allow passing." It says something along that line.

We even changed the Highway Traffic Act to allow the use of paved shoulders at intersections for cars to go through when there was a car sitting there to make a left-hand turn. That required an amendment to the act. Two years ago, for about \$3,000,000, we built those paved shoulders right from Waubauskene to MacTier, and that's something like 30 or 35 miles. I think I am right, Mr. Gilbert, that it was about \$3 million or \$3.5 million.

Mr. Gilbert: Yes.

Hon. Mr. Snow: I have had many comments from people who use that highway regularly about the great improvement. To go to a four-lane divided highway, which is obviously the ultimate answer, for that section of highway the \$3.5 million might have gone a mile instead of 30 miles.

Mr. Riddell: Yes.

Hon. Mr. Snow: I think we are getting a great value for our investment. There is a breaking point between the normal two-foot paved shoulders and the full paved four-foot shoulders.

Mr. Riddell: Has our whole policy on the type of thing you are talking about been reviewed?

Hon. Mr. Snow: It's worked out so well we are now going to do the section from

MacTier right up to the Parry Sound bypass. It's going to have paved shoulders this year.

Mr. Riddell: If money is ever available, it's something we may very well take a look at for Highway 8, because I think that would rectify the problem.

Hon. Mr. Snow: I don't know offhand the traffic count on those highways.

Mr. Mancini: Mr. Chairman, I have a few comments I'd like to make under the heading of main office. I guess we are sticking with the tradition that allows members to raise many different items under that general heading and I will continue with that particular practice.

First of all, I want to bring greetings to the deputy minister from the reeve of Pelee Island township. He wanted me to give you his thanks and the thanks of the council for all the work you have done on their behalf. For some of the members who are not familiar with Pelee Island, it's the southernmost part of Canada. Its transportation service wasn't that good two or three years ago, but the deputy minister along with his staff has worked very hard to improve it.

Mr. Gilbert: The minister has also worked very hard.

Mr. Mancini: He didn't mention the minister, he mentioned the deputy.

Mr. Riddell: He thinks you're a good Liberal.

Hon. Mr. Snow: Are there any of those around? I haven't noticed any.

Mr. Mancini: Anyway, we've certainly improved the transportation service there. I noticed the ministry had issued a press release stating we were taking over the federal ferry and we were going to control both ferries working from the mainland to the island. I was wondering if we had any firm prices. How much is it going to cost to fix up that particular ferry? Is it going to be operational some time in June, or is that possible? Would we have that information?

Hon. Mr. Snow: First of all, it's not the province that's taken over the ferry, it's the township of Pelee Island. With our support and assistance, the township entered into an agreement with the federal Department of Transport to take over that ferry for \$1. The federal minister, I believe, has agreed to spend \$200,000 upgrading the boat before turning it over. I believe it's in Collingwood shipyard having the new engines and modifications done right now. I don't know if anybody here can give you a date—

Mr. Mancini: A date on when it is to be ready for service?

Hon. Mr. Snow: It's to be ready for spring, as far as I know. It's being operated by the township, from Sandusky across to the island and on to Leamington. We have agreed to subsidize that portion of the operating cost, between the island and Leamington. We have not agreed to subsidize the international services between Sandusky, Ohio, and the island. It's my understanding, from the most recent report I had, that that part of the service is actually breaking even or even making a little money.

Mr. Mancini: That part has always been fairly profitable.

Hon. Mr. Snow: Anything they make out of that goes towards offsetting any deficit on the other leg.

Mr. Mancini: I wouldn't expect we'd have very much of a deficit on either ferry, because the township operates the boat very efficiently.

Hon. Mr. Snow: As you know I've been down there and met several times with the council. We made the Upper Canada available when they had practically no service left. To my knowledge it has done a good job, except it has limitations. It's not designed to carry the large tractors, combines and other pieces of farm equipment necessary on the island for the seed corn production. It is basically with this in mind that we've worked with the township in getting the federal ferry. We tried to encourage the federal government to maintain the service, but as with many things they are opting out of this service in Ontario.

Mr. Mancini: Tell me, Mr. Minister, over and above the \$200,000 the federal government is spending to upgrade the ferry, how much do you think the province will have to spend to fix it up? I'm under the impression the motors are going to need some work.

Mr. Gilbert: They're having to put in \$200,000. I don't know what the figure is right now; but certainly it appears we're going to be coming very close to matching their figure.

Hon. Mr. Snow: They agreed to turn the boat over for \$1 and put up \$200,000 towards the refurbishing.

Mr. Mancini: I was clear on that part, but I knew there had to be some additional work.

Hon. Mr. Snow: When you put a piece of fairly old equipment like that into a dry-dock and start doing work on it, no one knows exactly what the final cost is going

to be. I understand there are to be completely new engines for it.

Mr. Mancini: I was also concerned about the starting date; I guess we don't have the exact date. We wanted to advertise in Ohio; we planned a fair bit of advertising for the ferry this year because we think it could be a very profitable service if it's run properly by people who are interested in it.

Hon. Mr. Snow: It's very important to Pelee Island.

Mr. Mancini: Very important.

Hon. Mr. Snow: That's why, as usual, Ontario has taken a very responsible attitude and stepped in and taken over responsibility where it should be that of the federal Liberal government.

Mr. Mancini: We can get on to that a little later.

[9:30]

Hon. Mr. Snow: I just didn't want it to go by unnoticed.

Mr. Van Horne: Just a shade partisan.

Mr. Mancini: The local, Liberal, provincial member won't say anything.

Mr. Riddell: If the Tories get in federally, who are you people going to blame? You won't have the poor federal Liberals.

Mr. Yakabuski: If they don't behave we will be after them too.

Mr. Mancini: Some time ago I received a communication from one of my constituents—and I have had some other constituents come into the office to see me—concerning safety on the highways and the proper use of motorcycles.

The people in the area felt that though there are many accidents involving motorcycles and cars, it always seems to be the motorcyclist who is blamed for the accident. They felt there wasn't enough emphasis in your safety program directed towards the motorcycle. They also felt there should be greater restriction on who can certify motorcycles as being fit for the roads. Those who are knowledgeable about motorcycles felt that people who work mainly with cars really aren't capable of certifying a motorcycle.

I was wondering if the ministry could take some steps to upgrade or promote more safety with motorcycles, and also have the outlets which certify the mechanical aspect of motorcycle safety upgraded. I wonder if the minister had any thoughts in that area.

Hon. Mr. Snow: I must admit it isn't something on which it has been brought to my attention there is any major problem.

Mr. Mancini: I think I wrote to you about it, not too long ago, Mr. Minister. I don't expect you to remember every little piece of correspondence that goes across your desk. That's one of the reasons I'm bringing it up in the estimates. Taking the increase in motorcycle sales into consideration I thought maybe attention to the safety aspect and mechanical certification of these vehicles should become more important than it has been.

Hon. Mr. Snow: Dr. Humphries, maybe you would like to come up.

As the owner and operator of a motorcycle, I'm a little familiar with them.

Mr. Gilbert: He's got his licence too.

Mr. Haggerty: See him on one of those mini trailbikes!

Hon. Mr. Snow: No, no; I've got a good one, a Honda.

All the figures you look at on the registrations are somewhat surprising when you see the increases. For instance, in 1961 there were less than 9,000 motorcycles registered in the province. If you go through to 1970, halfway, there were 45,000 registered. In 1977, there were 82,000 motorcycles registered.

Mr. Mancini: That's one of the reasons I'm concerned.

Hon. Mr. Snow: There's certainly been a large increase in the number of motorcycles. In addition to that, there are about 12,000 mopeds. There has been some increase—I don't have the accident figures right here—in the number of deaths and injuries, but I think if one looks at the increases in the number of vehicles perhaps they're not that much out of line.

Legislation we introduced a few years ago—and if you recall it caused some discussion in the industry—requires lights on these machines be on at all times; you must operate your motorcycle with your light on and I think that perhaps is one of the greatest safety features.

Ten years ago—I guess before your time here but some of us will remember—there was a big hassle over requiring the wearing of helmets while riding motorcycles, which is totally accepted today. I don't think any sane person would want to drive a motorcycle without wearing a helmet; certainly I wouldn't.

Mr. Mancini: How much money do you spend advertising safety as far as motorcycle vehicles are concerned? Do you have any rough idea?

Hon. Mr. Snow: We don't spend a great deal of money. We probably put a few safety ads—

Mr. Mancini: Would you consider looking at that budget again to see if you feel it is adequate?

Hon. Mr. Snow: I'm sure it isn't adequate. I'm sure none of our safety advertising programs—

Mr. Mancini: Adequate in comparison with what you're spending in other areas; that's what I'm trying to say.

Hon. Mr. Snow: We do try, for instance, to aim advertising on specific programs at the publications that will reach the most people; for motorcycle safety, for example, we would advertise in the motorcycle magazines and for snowmobile safety we would put ads in the snowmobile magazines.

We also do advertising on school buses. We run back-to-school safety advertisements every September when the kids are going back to school. When the kids are getting out of school in the spring, we advertise bicycle safety and other general things.

I'm going to ask Mr. Humphries to answer about the certification of motorcycles. I would have to agree that the average garage mechanic probably can't do it, and it should be done by a motorcycle repair shop. Bob, what's the answer on that?

Mr. Humphries: The ministry did actively look at the question of requiring motorcycles to be certified by mechanics licensed to repair motorcycles. The principle seems to be correct, but the problem is that there are not enough so-called qualified mechanics across Ontario to make it a general application.

Mr. Haggerty: That's the problem?

Mr. Humphries: That's the problem, yes.

Hon. Mr. Snow: In many of our areas—I know there's no problem in the area where I live—there's practically a motorcycle repair shop in every town. But when you get out into the northern and outlying areas, I'm sure somebody might have to go 500 miles to get a fitness certificate.

Mr. Mancini: I want to ask Mr. Humphries what he requested of people who weren't qualified to certify these motorcycles. Do you just allow them to certify them as being mechanically safe? What do you do, say, if you have a fairly large district and there isn't a capable person?

Mr. Humphries: The regularly licensed mechanic is not totally incompetent to certify a motorcycle. In some aspects of it he may not be as competent as the licensed motor-

cycle mechanic is, but it is not a useless certification.

Mr. Mancini: Then let me ask this question: What are you doing to encourage people who sell motorcycles to get qualified help or to help train persons in this area? Are you putting any type of pressure on the people who make their livelihood by selling them that they should have qualified persons there to inspect their safety?

Mr. Humphries: Our efforts in the matter of certifying more mechanics are through the Ministry of Education in the community colleges. But I can't tell you whether there is any increase in the number of mechanics being certified in those colleges. Certainly the question of the non-availability of these people has been discussed with those people. I don't know what the dealers or the manufacturers might do.

Mr. Mancini: Do you have a general policy where you keep reminding the dealers that they should be moving into this area? How do you get this message across to these dealers, as being responsible in this area, that they should be moving in this direction?

Mr. Humphries: There's no question that there's a continuous discussion between those people and the ministry staff on that problem.

Mr. Mancini: Are you setting any kind of deadlines for them?

Hon. Mr. Snow: I don't think we have any legislative authority to do it.

Mr. Mancini: I'm not asking about legislation. The ministry is dealing—

Hon. Mr. Snow: How can we tell a dealer, licensed or unlicensed, depending on whether he needs a licence or not—

Mr. Mancini: I'm just asking what type of encouragement is given during the discussions. He said he's continually encouraging them, but some people might have a deaf ear. I know, as Mr. Humphries has said, you're encouraging this type of program through the Ministry of Education. I just feel—and even your own statistics bears this out, Mr. Minister—that with the upsurge in sales, maybe the encouragement has to be a little greater. That's the only point I'm trying to make.

Mr. Gilbert: Are you suggesting legislation, Mr. Mancini?

Mr. Mancini: No, I haven't suggested that.

Mr. Gilbert: As the minister has mentioned we can only go so far on our safety programs and what have you. As Mr. Humphries says, we're talking to these kinds of people.

Mr. Mancini: The only point I'm trying to make is that we should continue to give all the consideration we can and continue to

encourage them on a fairly active basis. I think it's important.

Hon. Mr. Snow: I think it's a case of supply and demand. With the increase in sales of motorcycles, any reasonable person in that business knows that he has to service the product and will train people to do so. I can't say this is going to be 100 per cent in each situation, but that has certainly been the experience that I've had in the area of the province that I'm most familiar with, where I daresay 10 years ago there was probably not a motorcycle servicing or sales place in Halton county. You had to go to Hamilton or Toronto if you wanted something. Now almost every community has them because there's business there to make it profitable for them to operate.

Mr. Mancini: I just wanted to get it on the record to make sure that they know our concern and that they are working in this positive direction. That's the point I wanted to make.

I wanted to make a couple of other points about safety. I've had some matters recently brought to my attention concerning school buses. In some areas some of the students have had to ride to school without being able to get a seat on the bus. They've had to stand up for a good part. I was wondering if there was any concern on behalf of the minister about this practice and whether you think the problem is severe. I know parents who have called me are very concerned; and they do work with the school board to try to get this matter straightened up. It is an administrative problem to make sure there are enough buses for the school children, so that especially the smaller children in grades K to 8 don't have to stand up; for various reasons, for example if the bus has to stop suddenly or something we don't want students flying all over the place. I was wondering if that has been brought to your attention before and if you have any general policy in the area.

Hon. Mr. Snow: I'm sure you're not original in this matter.

Mr. Mancini: I know.

Hon. Mr. Snow: The legislation—check me if I'm wrong, Mr. Humphries—allows that one third of the number of passengers can be standees. Is that correct?

Mr. Humphries: In public vehicles, licensed buses.

Hon. Mr. Snow: Would that include school buses?

Mr. Humphries: It doesn't include school buses operated by a school board.

Hon. Mr. Snow: I know it is the practice. Our legislation prohibits standees on what we call field trips. If your school board is bringing a busload of students to Toronto to visit the Legislature or to the museum or to Ontario Place or whatever it might be, they are not allowed to have standees on those trips. Legislation I brought in since I've been minister prohibited that.

Mr. Mancini: That's good legislation.

Hon. Mr. Snow: Normally, school boards do allow standees on their buses. I believe what Mr. Humphries is saying is that any bus operated under a public vehicles licence is limited to one third standees. That includes the majority of buses, because most of them are under the Public Vehicles Act and are operated by contractors. Buses, owned by a school board which provides its own transportation, although those are not a big percentage of all buses, don't come under the Public Vehicles Act. So there isn't that requirement.

Mr. Mancini: I want to get this clear.

Hon. Mr. Snow: It's mainly a matter of decision by a board of education with regard to its transportation policies. They are allowed to have standees. Many people have suggested that legislation should be changed to prohibit standees. If you prohibited standees on all buses, you'd put the TTC out of business, probably because they have 50 seats on a bus but they have a maximum capacity of 150 when they pack them on there in the morning.

Mr. Mancini: My question is totally concerned, I would say, with buses which carry school children.

[9:45]

Hon. Mr. Snow: It is quite normal that a school bus on a heavy route will pick up students and for 90 per cent of the route everybody will be seated, but at the tail end there are no seats left so they have to stand up for a short distance. I guess it is a case of economics. It would be possible for us to make legislation that would prohibit that, but it would be a tremendous financial burden on the boards of education. They would have to put on extra buses to pick up that small capacity. I don't think any statistics we have—certainly none I am aware of—indicate there is any real number of accidents or injuries because of students standing.

Mr. Gilbert: Mr. Chairman, actually, if the school boards didn't want to have anyone standing they could do that now. That would be their decision, if they didn't want anyone standing.

Mr. Mancini: The way it is now is the school boards actually own the buses themselves and the legislation says there cannot be anyone standing, is that right?

Hon. Mr. Snow: No, that is not right at all.

Mr. Mancini: Could you explain that?

Hon. Mr. Snow: I have told you—god-dam it, how many times?—that a bus operated under the Public Vehicles Act, which covered most of the buses that are owned by the contractors and have a PV licence, is limited in the legislation to one third of the number of seats. If it is a 60-seat bus, they can have 20 standees. A bus owned by a board of education and operated by that board—and there are a few of those around the province—does not come under the Public Vehicles Act, so they are not limited to one third and could have more than one third standees in theory.

Mr. Mancini: Then the legislation which covers most of these buses is really related to one third of the students being allowed to stand.

Hon. Mr. Snow: That is the legislation.

Mr. Mancini: I would think that as far as school buses are concerned maybe that is a little high. Maybe you should give consideration to possibly lowering that figure if you can, because there is quite a bit of concern about that. I will be speaking with some members of the board of education for Essex county about it, because a great number of people are concerned about it.

I also wanted to speak with the minister concerning some of the provincial roads running through Essex county, and in particular in Essex south. I notice in the 1979-80 construction program, the book the ministry publishes, that Highway 3 from Leamington to Essex and then on to Maidstone is apparently going to be resurfaced. Although the resurfacing is very welcome I was wondering when the ministry was finally going to move ahead with making that very vital road a four-lane highway, as was proposed by the ministry some years ago.

As the minister is also aware, I believe just about all of the property necessary to make Highway 3 from Leamington into Windsor a four-lane highway has been purchased. We have had a great amount of industrial growth in the county and we have a lot of people in the trucking business who use that route to bring produce which is produced in Essex county from the Leamington area into Windsor and to other places. I am still not sure why the ministry has taken Highway 3 off its

five-year program as far as the four-lane expansion is concerned.

With the construction of the Ford plant, which is going to bring many new people into the area and an even greater use of Highway 3, does the minister not feel it is time to get the program back on the books and working towards making it a four-lane highway? Also, is the minister not aware that with the new tariff regulations that are being negotiated, or have already been negotiated, there is a lot of interest in the manufacturing of tomato paste around the Leamington area and they feel that if everything goes through as planned there is going to be a very active tomato paste industry. They project 2,000 new jobs for that particular area? Does the minister not feel that under those circumstances, and with Highway 3 being insufficient the way it is now—and Lord knows he has had lots of communication from the county of Essex about Highway 3 being utilized a great deal—because it is a two-lane highway and very slow, many of the people who should be driving on Highway 3 are now using the county roads and putting a lot of pressure on these roads—

Hon. Mr. Snow: That is excellent, because those county roads are built with taxpayers' dollars the same as any other road and there is no damn reason why cars should not drive on them although some people seem to think there is.

Mr. Mancini: That is right, I do not disagree with that. But given all the things I have said, does not the minister feel it is time he should maybe take—

Hon. Mr. Snow: No, I do not. I am sorry. If you let me answer it I will try and explain.

Mr. Mancini: Go ahead, then.

Hon. Mr. Snow: A few years ago Highway 3 was in the program for reconstruction and for widening; but priorities change, and especially priorities have to change when there are a limited number of dollars available for highway construction. We monitor all of these projects on a yearly basis.

Mr. Mancini: Are you telling me then that you had your staff take a road count?

Hon. Mr. Snow: Yes.

Mr. Mancini: Could I have those figures; and also the figures for the last five or six years, if you have them available, if you have been monitoring it every year?

Hon. Mr. Snow: I don't think I have them right here at this time.

Mr. Mancini: Could you make those figures available to me sometime in the very near

future? I am quite concerned, because the further we delay the project the more it is going to cost? Certainly, Mr. Minister, no one has asked—

Hon. Mr. Snow: I tried to answer your question. You will not let me answer your question.

Mr. Mancini: Mr. Minister, you did answer my question.

Hon. Mr. Snow: No, I didn't.

Mr. Mancini: Yes you did. You said no, you were not going to proceed.

Hon. Mr. Snow: I didn't complete my answer.

Mr. Mancini: I'm sorry. Please go ahead.

Hon. Mr. Snow: You are so damned anxious.

Mr. Mancini: Mr. Minister, I have never seen you so testy.

Hon. Mr. Snow: I get testy with testy questions, I guess. I just have to say that the whole Essex-Windsor situation has to be looked at as a unit, as does all the province of Ontario with the priorities—

Mr. Mancini: Right, and that makes an even stronger case for a four-lane highway.

Hon. Mr. Snow: Are you suggesting we cancel E.C. Row to do Highway 3? I don't think you would suggest that.

Mr. Mancini: No, I never suggested that, Mr. Minister. I never suggested that at all.

Hon. Mr. Snow: You talked about the Ford plant going into Windsor. We have a planned schedule for the E.C. Row Expressway prior to the Ford plant—

Mr. Mancini: Mr. Minister, my question was not directed towards the E. C. Row and I wish we would just talk about Highway 3. You have already seen fit to do what you are going to do with E. C. Row.

Hon. Mr. Snow: Highway 3 does not rank in the priorities now for reconstruction. If you don't want to know the reason then I can't go any further.

Mr. Mancini: I do want to know the reason, but I don't think the fact that you are reconstructing E. C. Row is a good reason you shouldn't be—

Hon. Mr. Snow: We are not reconstructing E. C. Row.

Mr. Mancini: You are building it into a four-lane highway, the way the city has proposed; I don't think that is a good enough reason for continuing to neglect Highway 3, I really don't think that is a good enough reason. I have asked for the road count.

Hon. Mr. Snow: I don't have the exact traffic count for the last five years here with me. We will get that for you. We have to look at the road priority needs in the total province and especially in each district.

Mr. Mancini: I am telling you that in the Chatham district, if Highway 3 is not in the high priority listing—and I am telling you this as a person who lives in the area and as the member, the person who is supposed to represent the concerns of those citizens—then it should be ranked in the top priority listing. I am telling you that Leamington is fast becoming one of the main centres of the county, along with the Amherstburg area. I am telling you that it is necessary for Leamington to have a good transportation link—

Interjection.

Mr. Mancini: If the NDP will let me finish—that Leamington must have a good transportation link—

Interjection.

Mr. Mancini: That is why you are always third in that riding. If Leamington had a good transportation link with Windsor it would certainly—

Interjection.

Mr. Mancini: Now I've got everybody testy. I just want to make sure the minister is aware that it's vital to the Leamington community to have a good transportation link into Windsor; not only to get into Windsor but also to cross the border into the United States, where there is a big market for our produce. I can't understand why you keep neglecting to put it on your top priority list.

You've got all the land bought. We're not asking you to do the whole darn thing tomorrow, but you should have some type of program, even if it's a long-range program, that over a certain period of time that road will be finished, because the construction and the industry which is planning to go to Leamington is just tremendous. I'd hate to see us be caught short in that area. That's the only point I'm trying to make. The E. C. Row Expressway doesn't have anything to do with it.

Hon. Mr. Snow: I guess that's why we have to set priorities. You say that industry is planning to go to Leamington. When the industry gets in Leamington and the needs are there then we'll have to address those needs.

Mr. Mancini: Do you know how many miles it is between Leamington and Windsor, Mr. Minister? Even if you started tomorrow, do you know how many years it would take to complete a four-lane highway there?

Hon. Mr. Snow: I have some idea, yes.

Mr. Mancini: How long do you think it would take?

Hon. Mr. Snow: It all depends. You could do it in two years if you poured the money in.

Mr. Mancini: I just think it should be given more consideration. I'll wait the minister's figures. It was on a top priority list before. You own all the land.

Mr. McClellan: That was the day you won the seat there.

Mr. Mancini: Never mind about me winning the seat.

Hon. Mr. Snow: Priorities have to change based on changing needs. I know you're not interested in the E. C. Row Expressway but a great many people are.

Mr. Mancini: It's not that I'm not interested in the E. C. Row Expressway. My concern tonight is Highway 3. That's my concern tonight. If you want to talk about the E. C. Row Expressway I can come back tomorrow. I'm not making a pitch tonight for the E. C. Row Expressway, I'm making a pitch for Highway 3, because everyone in the community feels it's necessary. I know the Essex county council is also concerned about it.

Hon. Mr. Snow: I have to tell you that all these projects cost dollars and we only have so many.

Mr. Mancini: Certainly. I agree with you. That's why I'm asking you to put it on the top priority list.

Hon. Mr. Snow: It has to be spread all over the province of Ontario.

Mr. Mancini: That's why I'm asking you to put it on the top priority list so we can have a long-range plan in which the road will eventually be done. No one is asking you to dump all your money in there tomorrow, and it would be silly for me to ask that, but we would like it to be given a higher priority.

Hon. Mr. Snow: We always set the priorities based on the needs in the area.

Mr. Mancini: I think the minister should send his director for southwestern Ontario, who has his head office in London, down to that area to review the matter and possibly report back to the minister.

Mr. Gilbert: We have reviewed that.

Hon. Mr. Snow: A complete review of that project was completed January 22, 1979.

Mr. Mancini: Is it okay if I have a copy of the whole thing? It should be no secret.

Hon. Mr. Snow: No, I don't think there is any secret about it at all.

Mr. Mancini: Will you send a copy of that to my office, then?

Hon. Mr. Snow: Yes. We have to find \$30 million someplace to accelerate the E. C. Row Expressway program in the next two years.

Mr. Mancini: Yes, I understand that.

Hon. Mr. Snow: If you think I can build 30 or 40 miles of a four-lane highway and Highway 3 at the same time, I just can't do it.

Mr. Mancini: No, that's not what I said at all, Mr. Minister. I don't think you've been listening to me. I asked you to reconsider the top priority listing to see if Highway 3 could be put on that listing. I know very well it's going to be done in stages and it's going to be done in a period of time. I just wouldn't want us to be caught short and I think we are if we keep neglecting it.

I know that you're spending quite a bit of money by all the resurfacing that you're going to do. I'm not blind. I can see what is being done here. It's shown very clearly in the book. I'm just amiss here. All the land is bought. I don't know how much construction design you have on that road now. What about the engineering reports? Do you have any engineering reports as far as design of the highway is concerned?

Hon. Mr. Snow: It's a great advantage to us owning the land.

Mr. Mancini: Yes, I understand that.

Hon. Mr. Snow: The land, I'm sure, is a small part of the cost of building a highway.

Mr. Mancini: Today in Essex county, Mr. Minister, land is pretty dear.

Hon. Mr. Snow: The land has been bought. That makes it very easy to accelerate a construction program. Normally, it takes a couple of years to get land if you want to accelerate a program. We have the land there. If the time comes and the priorities warrant, we can proceed with that rather quickly.

[10:00]

Mr. Mancini: Would you reconsider Highway 3 and see if it's possible to put it on your five-year program? Would you look into it again to see if that is possible? I wish the director for southwestern Ontario was here.

Hon. Mr. Snow: He will be here when we get to the appropriate vote to discuss these matters.

Mr. Mancini: Under the main administration it's always been the policy that we discuss many different items. I haven't done anything that any other member certainly has not done as far as the appropriate manner of bringing different items up is con-

cerned. We spent the greater part of this evening talking about some four-lane highway in Brant, I think, Mr. Minister.

Hon. Mr. Snow: I only answer the questions that are asked.

Mr. Mancini: Right.

Mr. Gilbert: The regional director, Mr. Chairman, is really in no—it's his report that we're referring to. The whole thing is, as the minister said, there are a lot of roads in this province that we would like to be working at right now. But when you have such things as the E. C. Row Expressway—and we go back to that—but it still means a lot of dollars out of a program that we just don't have unlimited funds in. Over the next few years, two years as the minister said, we have to find \$28 million over and above the normal money going into that. I know Highway 402 isn't in the Chatham area as such, but with that program, you're locked in.

As the minister was saying earlier—I don't think you were here at the time, Mr. Mancini—that kind of a road such as 402, you don't really get the benefit out of it until the thing is done. There are a lot of these roads that even though we would like to be going ahead on them, we have to get some of them finished before we start another major road.

But it's in a position where we're monitoring it. We've said that. I think you've spoken to the minister about it and he asked us to take a look at it. We took a look at it and this is where we are. You agree that we have the property and we are in a better position to act a lot faster than, say, on a 403 or 404 or something else.

Hon. Mr. Snow: In this report we will send you, one of the alternatives and, perhaps, the preferred alternative by the southwestern region, was to put this project on our five-year program on the new alignment.

Mr. Mancini: Exactly. That's what I was saying.

Hon. Mr. Snow: But when the overall priorities are considered and other major projects such as the E. C. Row Expressway, because we had to accelerate one end of the E. C. Row Expressway to meet the Ford plant requirements in Windsor, we're not prepared to give up the other end of the E. C. Row and let it wait because of further commitments there. So we have to keep up with the normal program plus put a crash program on which is going to cost something in the neighbourhood of \$30 million over two years.

In a construction budget for the whole province of something like \$225 million, all of a sudden when you have to find \$30 million I have to knock some other projects off the list someplace if we're going to do that, when our priorities showed they should be done.

Mr. Mancini: Okay. I just wanted to make sure the minister understands our concerns.

Hon. Mr. Snow: I know. That project is top in your priority, it's high in my priorities but I have to sort these out. It's not that we're trying to neglect your area. Highway 3 has been talked about. Highway 18 was your pet project last year.

Mr. Mancini: No, that's next, Mr. Minister. We haven't finished with that one yet.

Hon. Mr. Snow: I knew you weren't going to miss it.

Mr. Chairman: Mr. Johnson, you had a question to ask?

Mr. J. Johnson: Yes. Mr. Minister, it was in regard to the storm we had on Friday, April 6. I understand that in some of the areas the ploughs were taken off at the end of March.

Mr. Mancini: Mr. Chairman, on a point of order, I'm not through.

Mr. Chairman: I know, but Mr. Johnson wants to ask this question because of the urgency.

Mr. Mancini: Oh, pardon me.

Mr. Chairman: He had permission to ask this question.

Mr. J. Johnson: I'm sorry if I interrupted.

Mr. Mancini: If it's a short question you can go ahead, but I had a few other items that I wanted to speak to the minister about. If it's a short question I'll yield the floor.

Mr. J. Johnson: I've had some questions from some of my constituents and from people in the snow belt, as they call it. Watson gets rain but we get snow.

I would assume that in many cases the ploughs should be pulled off at the end of March, but my question is: In the event of a storm, if there's a forecast a day or two ahead, is there any contingency plan that ploughs can be put back on?

Hon. Mr. Snow: I don't know where you got that information, Jack. It has always been my understanding that April 15—

Mr. J. Johnson: It's April 15?

Hon. Mr. Snow: —is the time that the contractors, the sanders and what not, have

to have their crews available. But as far as the ploughs are concerned they're our own equipment and they're available—

Mr. J. Johnson: So there's no problem?

Hon. Mr. Snow: No, there should be no problem.

Mr. J. Johnson: Really the question was a matter of clarification.

Hon. Mr. Snow: Certainly you don't have to have the amount of equipment. Normally you don't expect after April 1 to get heavy snowstorms, although you can very easily have a snowstorm similar to the one—in fact, most years you do get something during April. But certainly the sanding crews are to be available, in my understanding, according to their contracts, until, I think, April 15.

Mr. J. Johnson: I ran into one problem. Highway 9 from Orangeville to Highway 25 was ploughed, but from Highway 25 through to Highway 6 was not ploughed; it was one hell of a mess.

Mr. Gilbert: There must have been a breakdown or something.

Hon. Mr. Snow: So was the 401 and the Queen Elizabeth.

Mr. J. Johnson: In certain areas it seemed it was open and in other areas it wasn't.

Hon. Mr. Snow: That could be a patrol. Each patrol yard services its own section of highway. One patrol may have sent the truck up and turned around and come back and the other one may have sent it the other way. They aren't necessarily both ploughed at the exact same minute.

Mr. J. Johnson: In many cases it's a matter of visibility; you can't have the ploughs on the road because of the safety factor, and I accept that. But in this instance that wasn't the problem; I had been told the ploughs had been taken off and that's why I asked the question for clarification. If they hadn't been taken off I appreciate the answer.

Mr. Gilbert: There must have been a breakdown or something, because they certainly should have had the equipment there to carry it out.

Mr. J. Johnson: That's quite reasonable; and thank you.

Mr. Mancini: As far as Highway 3 is concerned we will just leave it that the minister is going to send me that information. Possibly we can discuss that at a later time, either by letter or personally.

We have another provincial highway running through a large portion of my riding that the minister mentioned a couple of

minutes ago, and that's Highway 18. As the minister is aware, they have undertaken a lot of reconstruction on that highway and there is a section of it that has been built up to a four-lane facility. But between Amherstburg and LaSalle a lot of that highway is in very bad disrepair. I don't think I'd be too far off by saying it's probably one of the worst roads in the country. I don't know when the last time your southwestern Ontario people were in that region. I do know from having conversation with the director for the district they plan to repave part of it.

But that leads us to a very important question, Mr. Minister, as to whether our money is being well spent or not. Your ministry should be aware that in the township of Anderdon, where much of the reconstruction is going to be done, the Ministry of the Environment is going to be putting in a large sewage system and a lot of that area near the road is going to be dug up. The construction of that sewage system might start next year. This means it will possibly be another two or three years before any work can be done on making that a four-lane highway.

That brings me back to the point of the resurfacing of that road. In conversation with the southwestern director, he told me they are going to resurface about 25 per cent of the road. This means that if they resurface 25 per cent of the road this year, and 25 per cent next year, and a further 25 per cent the year after, much of that resurfacing might be lost, because then you might be back in your program of making this a four-lane highway. In view of the fact the condition of that road is, I would say without a doubt, the worst in the county, I am sure you are going to lose the road. The thing is falling apart something terrible. I was just wondering if resurfacing that road until you are ready to finish the four-lane part of it can be speeded up somewhat so you don't lose the money you are investing on that.

Hon. Mr. Snow: The major problem there, as you say, is the sewer construction. It would certainly not be advisable to proceed with the reconstruction of the highway and then —

Mr. Mancini: Exactly:

Hon. Mr. Snow: —have them come along and rip the whole new highway up, whether it is new resurfacing or whatever; resurfacing isn't cheap either.

I met with your council a couple of years ago and I think we—

Mr. Mancini: Just a few months ago you met again.

Hon. Mr. Snow: We meet quite often, but a couple of years ago we talked about work down at the Amherstburg end. There was some work done there in 1978, I believe.

Mr. Mancini: Yes, there was quite a bit of work done there.

Hon. Mr. Snow: We were talking about a continuous program of reconstruction and four-laning on that road, but that has had to be delayed because of this sewer construction. There is no doubt the reconstruction is required. I had a call the day before yesterday about the sewers and the shoring, I believe some of that sewer work is under way right now.

Mr. Mancini: Not quite, but they—

Hon. Mr. Snow: The reeve told me last week it was starting Monday, I believe.

Mr. Mancini: Yes. I could doublecheck with him again; I know it is very close to being started.

Hon. Mr. Snow: I think it was Thursday morning he called me—and he indicated the sewer work was starting right away. He certainly said he understood the highway work had to be delayed.

Mr. Mancini: Yes.

Hon. Mr. Snow: Apparently some of the sewer work is quite deep. We were considering a 1980 program a couple of weeks ago and the staff advice was that with some of those areas on Highway 18 where there were going to be quite deep sewers there should be a year between the construction of the sewer and the reconstruction of the highway. This would allow for final settling.

Mr. Mancini: Yes, but last year you put a very thin surface on certain areas of the highway—you put maybe 100 feet of very thin surface—then you went about another 1,000 or 2,000 feet and you put in another patchwork piece—

Hon. Mr. Snow: That was hot-mix patching.

Mr. Mancini: Right. I was wondering if more of that could be done, especially in the area between Amherstburg and the Sandwich West town line, because really the road is atrocious. I don't know when the last time your Chatham district people or your director from southwestern Ontario was down there, but I have brought this to his attention. Without a doubt even the

gravel roads in the county are in much better shape than that road. It is just literally falling apart at the sides.

The tourist season is very near; we have a tremendous amount of trucks going between Amherstburg and Windsor; and I do know from what your director tells me another 20 or 25 per cent of that is going to be resurfaced with this thin resurfacing.

I don't think it is that expensive, with the type of resurfacing you are doing, to do the areas which really need it. If it was in half decent shape I wouldn't even bring the subject up, because I know the major construction can't be done until the sewage work is done. But as to patchwork resurfacing, surely that can be done. I tell you without hesitation that the road is in awful shape.

Hon. Mr. Snow: Those hot-mix patching jobs don't show on our books as far as the red spots are concerned. We call a general tender for each district of so many hundred tons or thousand tons of hot-mix patching and they do it at the instruction of the staff where it is needed. Certainly it is not cheap; you seem to think it is very inexpensive.

Mr. Mancini: It is much cheaper than the major construction work you are going to do around Staples and Leamington; it is much cheaper than that.

Hon. Mr. Snow: I am sure it is.

Mr. Mancini: Yes, it is not that kind of work.

[10:15]

Hon. Mr. Snow: I am sure this will be assessed. When they are doing the hot-mix patching in the Chatham area, they will be looking at the particular area you are concerned about.

Mr. Mancini: I would like something, either from yourself or from the district director, informing me of exactly what is going to be done and how much is going to be done.

Hon. Mr. Snow: I don't think we could tell you that right now. It would have to be assessed at the time of the normal spring breakup.

Mr. Mancini: When would you consider that to be?

Hon. Mr. Snow: Patching work is normally done after May. We don't do anything before then.

Mr. Mancini: Could you make arrangements for me to be informed so that I can inform the local officials what is going to be done? They might want to speak with

the director for southwestern Ontario before the work gets started. We are very concerned about this road. It is in awful shape. I wouldn't be as persistent if it wasn't. I would just hate to see another full summer and winter go by with the road in that condition, especially when this type of resurfacing can be done at a cost which is somewhat less than most of the other work, granted that it is all very expensive.

Hon. Mr. Snow: I'm sorry I don't have that kind of detail. If Mr. McCabe were here and we were on the right vote, maybe I could give you that kind of information.

Mr. Mancini: Could you make this available to me before it is done?

Hon. Mr. Snow: Anything is available to you. All you have to do is ask for it.

Mr. Mancini: I am just asking now, when the time comes I don't want to be told I didn't ask for it. That's why I'm asking for it now so that I can confer with the local reeves and mayors in order to discuss these matters. I like to have orderly discussion with the officials who represent those areas too. Everybody is in the same boat, and we would like to discuss these things.

Mr. Gilbert: As the minister says, our staff has to take a look at it on the basis of the spring breakup.

Hon. Mr. Snow: Which will be in another month.

Mr. Gilbert: Quite frankly, as far as the hot-mix patching is concerned in the various areas, it is done over an area; they are not restricted as in a total resurfacing. They will do it in areas where they feel it is necessary to be done. Sometimes they change; from the time the contract is awarded, they might change it. Certainly the regional director can talk to the people down there on the basis of the areas which they feel are the worst. As the minister pointed out, we are talking about that now and we have been for some time because of the contract that is going out.

Hon. Mr. Snow: We have one project in the 1979-80 program which will begin late in the year. I am not sure of the exact details, but it involves a little less than a mile of reconstruction right at the Windsor boundary south. That is the only major project in our program for the 1979-80 year.

Mr. Mancini: As stated before, I would like to know in advance. If further discussion is needed we would like to have it.

I would like to bring up two final points. Some time ago we met with the deputy minister concerning municipal bridges and

the problems that exist in most rural municipalities in Ontario, I guess in all municipalities in Ontario. I did speak with the minister about it. He said he was going to try to work on getting a special fund set up for these types of bridges. I wonder if you have been successful in your discussions with the Ministry of the Treasury in having this fund set up, if you are still giving it consideration or if you feel you are going to have to do it over a longer period of time than you had originally expected. What can municipalities expect from your ministry as far as this particular funding for bridges in need of repair is concerned?

Hon. Mr. Snow: To answer your first question, the answer is no. I have not at this stage been able to get a special allocation of funds for municipal bridges. I have met with dozens of representatives of municipalities over the past year. I was at the Ontario Good Roads Association convention. I said to the delegates I met and to the assembly there that we would have to work out programs with the municipalities. Many of the municipalities have asked us to try to set up a five-year program; they would set their priorities and we would try to co-operate with them in funding. They can't do them all at once. I have said when we are discussing supplementary allocations to the municipalities this year we will be giving high priority to municipal bridges.

This is something we will be doing within the next couple of weeks when we get all the requests for supplementary allocations. We will be giving a higher priority to municipal bridges, replacements or repairs, than we will to road work for instance. It's not that road work isn't important, but if we're going to have to give a priority to resurfacing compared to replacing a bridge, the bridge has to rank higher.

It's such a varied situation. Some municipalities have had a bridge replacement program over the years, and when the bridge survey was completed they had no deficient bridges, or very few. Some municipalities have very few bridges to start with. You get others—especially in your area, and the Wallaceburg area which has all those drainage channels, and there are some eastern Ontario townships too—where every side road has a major bridge or two on it, they have a real problem.

Mr. Mancini: Essex county is pretty well the same way. There are many bridges. I was wondering if, when you took the survey, you had any—

Hon. Mr. Snow: We didn't take the survey. We asked the municipalities to do it.

Mr. Mancini: When you asked the municipalities to take the survey, did you compile the information they gave to you? Do you pretty well know, for example, how many deficient bridges there are in the Chatham district?

Hon. Mr. Snow: Oh yes.

Mr. Mancini: You do. Do you think I could have that information?

Hon. Mr. Snow: Sure.

Mr. Gilbert: I think we tabled it in the House, didn't we?

Hon. Mr. Snow: I think I tabled all that information in the House already.

Mr. Mancini: I'll check my files to see if I have it.

Hon. Mr. Snow: I'm not sure you would have it in your files, because—

Mr. Cunningham: What happened, I think, is you left it as a matter of record. Wasn't that because there were so many different reports?

Hon. Mr. Snow: I tabled pounds of stuff with the Clerk. It would have been impossible to supply it to every member of the House.

Mr. Mancini: I'm mainly interested in the bridges in Essex county. Could I have information on those bridges, on the ones that are deficient in that area?

Hon. Mr. Snow: Each township has its own individual report. They have given us the information.

Mr. Mancini: It would be a lot easier for me to get the information from you, as you already have it, than to write to 22 municipalities asking them about every different bridge.

Hon. Mr. Snow: Mr. Browning, can you get that for Essex? I presume it's fairly easy.

Mr. Mancini: Do you have an overall cost figure on these? Do you know what it will cost?

Hon. Mr. Snow: Yes, each project has a preliminary cost attached to it.

Mr. Mancini: Could I also have the figures on the cost? Thank you.

Mr. Eaton: Mr. Chairman, before the committee adjourns, I want to raise a point of personal privilege. I understand while I was absent from the committee and in the House I was personally attacked by the member for Huron-Middlesex (Mr. Riddell) for not being present in the committee. I would like to state I was in the House rep-

resenting the county of Middlesex on a matter concerning a courthouse for the county of Middlesex, a subject which came up in consideration of the estimates of the Ministry of Government Services. Probably the member for Huron-Middlesex, who I note is now absent from the committee, should have been there to speak up for Middlesex too, seeing he represents part of it.

Mr. Warner: He's in the House trying to get a courthouse.

Mr. Cunningham: They just moved the courthouse to Goderich.

Mr. Eaton: I would just like to point out I have attended functions in his riding on behalf of this ministry, at times when he was absent and did not represent his constituents.

Mr. Cunningham: You just had your courthouse moved to Goderich, you should have stuck around.

Mr. Mancini: We met with the deputy not too long ago. We were in your office to meet about air service for Pelee, we had undertaken to work out some kind of program for that municipality. I wonder if you could give me a status report on that.

Mr. Gilbert: As you will recall, it was agreed our staff would go along with the township officials to discuss this problem. I forget the name of the air service. It has been reported to me since that time that there is now competition, there is another air service interested in providing services there as well. The problem doesn't seem to be as acute as it was the last time you and the representatives from Pelee Island were in. When we do get a report I will be talking to the minister about it. But right now the understanding I have is that there are two carriers interested in supplying service.

Mr. Mancini: That's very good.

In closing, I would like to thank the minister and his deputy for their patience and for the answers they have given me.

Mr. di Santo: I think we should rotate. There are three members of the Liberal Party.

Mr. Haggerty: You have to be here.

Mr. Chairman: When I take the names down, the people who are here hold their hands up to indicate that they want to speak. I act accordingly and follow the list. If you're not here I'm not responsible for that. It's up to the committee. If you want to arrange it differently say so, I'll be guided by your decision.

Mr. di Santo: It's almost 10:30 and perhaps it isn't worthwhile, but the problem is that—

Mr. Chairman: I understand, but I have no way of knowing how long an individual is going to speak and I have no intention of cutting off a member if he feels he has a legitimate question to ask the minister. That's what this discussion is all about.

Mr. di Santo: There should be a balance; there always has been.

Mr. Chairman: Normally I think that's what generally happens, but it didn't happen tonight.

Mr. Haggerty: Mr. Chairman, I have about 15 minutes and about three key questions. I thought perhaps I could adjourn it now and pick it up tomorrow.

Mr. Chairman: That's all right. I want it clearly understood it is to be Mr. Haggerty, Mr. di Santo, Mr. McClellan and Mr. McGuigan, in that order—if you are here.

Mr. Haggerty: At what time?

Mr. Chairman: Ten o'clock tomorrow morning.

The committee adjourned at 10:27 p.m.

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Legislature of Ontario Debates

Official Report (Hansard)

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Resources Development Committee

Estimates, Ministry of Transportation and Communications



Third Session, 31st Parliament

Wednesday, April 18, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, APRIL 18, 1979

The committee met at 10:05 a.m.

ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

(continued)

Mr. Chairman: If members of the committee are not here, whoever is here has every right to be heard. Let me know and I will give him the opportunity to be heard.

Mr. Philip: Before we proceed, Mr. Chairman, on a point of procedure, I wonder if it would be appropriate—I see the clerk isn't here and perhaps I can discuss it when the clerk is here—to give you a list of who we will be calling as witnesses in our inquiry on the Ontario Highway Transport Board. I have a list of three further witnesses I would like to call and whom I have indicated in the past I would like to call. Would you rather that I bring that up when the clerk is here and then we can handle that?

Mr. Chairman: I think perhaps if they are involved with the ministry, then the ministry would like to know who they are.

Mr. Philip: They are not involved directly with the ministry. I would like to request that Mr. Ron Secord, a resident of Fonthill, Ontario, who works for the LCBO in Welland, be asked to appear. Mr. Chairman, if you have read the transcripts of the inquiry, which was under a different chairman, you may recall that Mr. Secord's name came up a number of times in the testimony from Mr. Quinn. I understand also that some of Mr. Secord's records have been seized by the OPP but I think he's a vital witness for our inquiry. I would also like to have Mr. T. J. Sommerville, who is a lawyer residing in the city of Toronto, brought forward.

I would also suggest that over and over again in the inquiries the basic thrust has not been on the activities of one person, namely, the past chairman, but on the procedures of the board. I think that that should be our focus. A group that appears as respondents before the board, either directly or indirectly, is the Ontario Trucking Association. They are the spokespeople for the official trucking industry. Since the focus of

our report I hope will be on procedures rather than on individuals, I would ask that the Ontario Trucking Association, now having had time to read through the transcripts of the inquiry and being very directly involved in our inquiry, should be asked to appear. I would suggest that these two people and one organization be contacted. In the case of the Ontario Trucking Association, I would imagine they will choose who they wish to send before us. I would so move.

Mr. Chairman: You have heard the motion of Mr. Philip's. All in favour?

Mr. Haggerty: Mr. Chairman, when you are relating to a motion of that nature, I don't think there is a quorum here.

Mr. Chairman: No, that's right

Mr. Haggerty: If you are going to be putting a motion, there should at least be a quorum here.

Mr. Philip: Mr. Chairman, as you will recall, or as you can recall by reading the transcript, it was agreed at the beginning of the hearings that if any of the members had a particular person he thought would give information that would be relevant to the committee, he could request that person's presence and the committee would concur with that. I am simply carrying out a decision that was made by the committee.

Therefore, I ask that those people be asked to come forth.

Mr. Chairman: Mr. Philip, if you will hand your list of names to the clerk, or read them over again, he can copy them; he's here now.

Mr. Philip: Mr. Ron Secord, resident of Fonthill, Ontario, an employee of the Liquor Control Board of Ontario in Welland; Mr. T. J. Sommerville, a lawyer, residing in the city of Toronto; and the Ontario Trucking Association.

Mr. Chairman: We now have a quorum. You can put your motion now, Mr. Philip.

Mr. Philip: I would move that the following people be asked to appear before the committee during that period in which we are dealing with the inquiry into the Ontario Highway Transport Board: Mr. Ron

Secord of Fonthill, Ontario; Mr. T. J. Sommerville, a lawyer in Toronto; and the Ontario Trucking Association.

Mr. J. Johnson: Mr. Chairman, may I make a comment before we vote on it?

Mr. Chairman: Yes.

Mr. J. Johnson: I hope, Mr. Philip, that this isn't going to be a rehash of the committee meetings we had in January and February. Are you talking about a short meeting with these people or a prolonged debate?

Mr. Philip: Mr. Chairman, I wish that members of the committee would read through the transcripts or review decisions that have been made. This committee has decided for five hours more of testimony. I am asking that these people appear before us for questioning during the five hours that had been agreed to by the committee. If you are asking, is it going to be delayed, I have no idea. I don't know what answers I am going to get from these people. But I have a fairly good idea of the questions I want to ask them.

Mr. Chairman: It's a total of five hours we agreed to for this board reference, and I suppose there's a free hand for members to call in the witnesses they want to be heard.

Mr. Watson: But are we on estimates or are we on—

Mr. Chairman: We agreed that there would be 15 hours for the estimates and that five hours would be spent on this board review. There are 20 hours altogether, and all parties agreed to cut it down to 15 and leave five hours open for this. You have heard this motion. What is your pleasure?

Mr. Haggerty: Mr. Chairman, I am not a member of the committee and I don't know what we are discussing in this instance—it relates to something about the transport board—but, in looking at the list of committee members, I see there are perhaps only four of them here who were actually members of that committee.

If you are going to move a motion of that nature and importance, perhaps it would be better to wait until the original members of the committee are here to hear it, because I think you are asking some of us to commit ourselves to something about which we know nothing. I am not prepared at this time to support a motion of that nature. I am not a committee member—

Mr. Philip: Mr. Chairman, on a point of order: The original decision was made by the committee, voted on by a majority in the committee, that any member of this commit-

tee could call on anyone to be present. That was the decision that was made. We are simply asking you to do now—I don't have to have a vote on whether the majority of members of this committee want these three people. That decision was taken. I am asking you simply to tell the clerk to follow a decision that has been made by the committee.

Mr. Chairman: In fairness, Mr. Philip, I understood that any personnel associated with the board could be called here as witnesses. I didn't interpret it as outside people. As far as I am concerned, I have no objection to it. It is very true there are not enough members who are members of this committee to vote on this. I am quite willing to give you this opportunity when there is a sufficient number here to take it up.

[10:15]

Mr. Philip: Okay, I will reintroduce it then. It is a waste of time because I am sure the members know I can get the Liberals and the NDP on this committee to agree to those three names and it will pass anyway. All you are doing is wasting a lot of the committee's time.

Mr. Chairman: Well, I cannot go against the wishes of the people without having their views. In the meantime, I would give the floor to Mr. Haggerty to continue his discussions of last night.

Mr. Haggerty: Thank you, Mr. Chairman.

I want to deal with a couple of matters related to the estimates and then I will get into some other areas. In your estimates for the main office you have salaries and wages of \$1.15 million and employees' benefits of \$1,425,000. That seems to be quite an enormous expenditure for employees' benefits. Does this include fringe benefits? Normally, you don't see them broken down that way; usually the wages are higher than the benefits.

Hon. Mr. Snow: Yes, but the employees' benefits of the main office includes the workmen's compensation payments for the total ministry.

Mr. Haggerty: Oh, that is for the whole thing. I see.

Hon. Mr. Snow: The workmen's compensation for the whole 10,768 employees is in that one item.

Mr. Haggerty: Oh, I see. Well, that probably gives some explanation as to why the cost is greater.

The other matter is: What is the policy of the ministry on the matter of moving nuclear wastes from the nuclear plant at

Pickering up to Douglas Point? I am thinking of my colleague, Eddie Sargent, the member for Grey-Bruce. He has often discussed the matter of highway 10. I don't know if they are using that route. These vehicles are carrying 75 to 80 tons, vaults of that nature.

Hon. Mr. Snow: I don't think there is any vehicle carrying 75 or 80 tons in the province.

Mr. Haggerty: Well, I don't know. From my experience in being at the nuclear plant in Pickering, they tell me that when loaded with the spent fuel these things weigh about 75 tons. They have rather heavy equipment to move it within the plant itself.

Hon. Mr. Snow: There may be a special permit, I can't say.

Mr. Haggerty: There may be a special one, but I want to know your policies related to moving this hazardous material on the roads now there. I think my colleague is quite right when he mentioned highway 10. It has no passing lanes. If there ever was an accident we may run into serious problems. What precautions do you take? Are municipalities, fire departments, and the police notified when they are moving this hazardous material?

Hon. Mr. Snow: I am sure Mr. Humphries can answer you in more detail, but as I understand it, the movement of any nuclear material at all comes under the control of the Atomic Energy Control Board, the federal agency responsible for all this matter. As far as licensing of the vehicles is concerned, I presume the vehicles would be licensed by the province where it is carried. Bob, would you like to expand on it?

Mr. Humphries: The movement of radioactive materials is under the control of the Atomic Energy Control Board of Canada, as the minister has indicated. They issue permits for all those movements. When those movements are made, they make contact with the Ministry of Labour in this province, which alerts the various agencies that might be involved in any emergency. That is the way it is controlled.

Mr. Haggerty: Is the OPP or local police department notified when this is moved?

Mr. Humphries: I am not absolutely sure, but the contact from the Atomic Energy Control Board is with the Ministry of Labour. The Ministry of Labour, as I understand it, makes contact with the local agencies.

Mr. Haggerty: Do you supply any special equipment or trucks to—

Mr. Humphries: No.

Mr. Haggerty: —help them pass through communities and on the highways? Is there nothing of that nature?

Mr. Humphries: This ministry has no involvement in this, whatever.

Mr. Haggerty: What precautions do you take in case there is an accident on the highway?

Mr. Humphries: That is under the control of the police and also the Ministry of the Environment, I think.

Mr. Haggerty: Is your work crew aware this equipment is being used to transport hazardous waste, nuclear waste?

Mr. Humphries: I don't think our staff would be advised of that movement being made, no.

Mr. Haggerty: Why not? There is a good possibility, if you are using the provincial highways, that there could be an accident. If your own staff is not prepared in an emergency of this nature then it could cause some serious problems.

Mr. Gilbert: It applies, Mr. Haggerty, to a number of other types of things where our staff has to take measures if something happens. Every so often, unfortunately, we do have an occurrence. It's not that sort of thing, but certainly things have been spilled on the road and have caused problems.

Mr. Humphries: Yes. I can't see what involvement the staff would have other than to react to something the police were doing. If there is an emergency, or if there is a spill, the police will have control. The highway will be barricaded and, of course, if anything has to be done to the highway as a result of that spill, our staff would be involved in doing that, but it would be under the supervision of the police.

Mr. Haggerty: Do you have no emergency plan at all, other than to say if that does happen they will throw a barricade up on the road?

Mr. Humphries: Emergencies are looked after by other agencies.

Mr. Gilbert: The Ministry of the Environment.

Mr. Humphries: And the police.

Mr. Haggerty: I raise this particular point with you because of the serious problem in Harrisburg, Pennsylvania. There is deep concern about moving the waste from that plant in Three Mile Island a few hundred miles to a nuclear waste dump. They are concerned about these heavy trucks, as there is a good possibility there could be an accident and nobody is prepared for it. All I am asking is

you make sure the Atomic Energy Control Board keeps you well informed. In fact, you should have an emergency program with them without leaving it to another ministry, because I think your staff are probably going to be the first ones on the scene. If they are not prepared for it, you are probably going to have some problems later on.

Mr. Humphries: Mr. Haggerty, you are probably familiar with the development of the federal government to produce a regulation covering the transportation of hazardous commodities; we are involved with the federal government in that project.

At this stage I am not sure the transportation of radioactive material will come under that, but certainly it is part of the overall issue of dangerous commodities on the highway.

Mr. Haggerty: I don't know whether it was policy or not, but at one time all municipalities were to be notified of movement of any hazardous material through that community, so in case of an accident they would be prepared for it. I find that many of them are ignoring the rules and are going through the municipalities, not only in the area from Pickering to Douglas Point. You are going to cover it. I think it may even get up in your area.

Mr. Humphries: I think the contact made is with the Ministry of Labour. I am not sure.

Mr. Haggerty: I am not aware that they are being notified. If not, I bring to your attention there could be a problem.

Hon. Mr. Snow: You keep saying, Mr. Haggerty, "any hazardous material." What do you mean?

Mr. Haggerty: Well, in particular I am relating it to radioactive wastes, material like that. At one stage, they were bringing it through from Fort Erie to Detroit. I know the municipalities at that time were not notified of it. If you look at the number of nuclear plants in the United States, there are about 72 of them located in the area of New York state and Pennsylvania. There are quite a few of them. There is no doubt about it, they have to have some place to dispose of this waste and they are probably using vehicles such as heavy trucks to move it. All I'm suggesting is that you should have a plan and I know you're concerned about it.

Mr. Humphries: I don't know the extent of moves without proper permits from the Atomic Energy Control Board. But I think, if you're concerned that some of those movements are being made in that area, AECB

is your contact. That's where your concerns should be registered because AECB has the enforcement responsibility.

Mr. Haggerty: But you can also have enforcement on Ontario highways, in effect saying we're not going to permit it. I think the minister has that power; he has pretty broad powers. All I'm suggesting is that you should have a joint emergency program in case of an accident so that people won't be running from one department to another department saying, "I don't know what's going on. I wasn't aware they were moving this; you should have been aware of it."

If the Ministry of Labour is aware that material is being moved, then the Ministry of Transportation and Communications should also be aware of it. That's all I'm saying. You can at least be a watchdog in the sense of being able to say, "We're aware of it; we're taking a certain amount of precaution; we've notified our work crews that this vehicle is moving with this." Okay?

The other matter is your concern about constraint and restraint in the budget. Of the increase in gasoline tax and diesel fuel tax, how much is earmarked for the ministry?

Hon. Mr. Snow: None.

Mr. Haggerty: None at all, eh?

Hon. Mr. Snow: You mean the recent increase?

Mr. Haggerty: The recent increase. None of this is earmarked. Where does it go? Does it just go into the revenue?

Hon. Mr. Snow: All the funds raised by all the fees—whether it be motor vehicle licences, truck licences, PCV licences or the \$3 for your driver's licence—go into the consolidated revenue fund. The moneys for our ministry are allocated from the consolidated revenue fund. So the amount of revenue from gasoline and diesel tax, for instance, which is the largest one, has no direct relationship to our budget.

Mr. Haggerty: In other words, when you prepare your budget, you don't say, "You've got this additional revenue of which we should be getting a certain percentage more this year—10 or 15 per cent."

Hon. Mr. Snow: Oh, I say that, but it doesn't necessarily sink in.

Mr. Haggerty: I'm looking at it when you're raising taxes and so on.

Hon. Mr. Snow: I had a paper prepared a number of years ago. It's not up to date. It shows the total MTC budget and the total revenue from transportation-related items, I guess, if you wanted to refer to it that way. No, I don't have it here. The last year

I have final figures for 1974-75. I have an estimate for 1975-76 and an estimate for 1976-77. For instance for 1976-77 our budget was estimated at \$984 million and total revenue was \$880 million from road-related sources. There was a period back in the early 1970s when those road-related revenues were slightly more than our budget, but they have not kept pace with the budget. I don't know what the current figures are. I haven't asked to have an update. Because they really have no significance to us other than as a matter of interest.

Mr. Haggerty: It's a matter of interest but it's hard to convey to the taxpayer who says, "Why can't I get the pothole fixed in the municipal road system?" The excuse is, "Well, this is all we've received from the ministry; it has only allocated so much funding for the roads in our community." The next question is, "What the hell am I paying the gasoline tax for if it's not coming back here? That's what I pay it for."

[10:30]

Hon. Mr. Snow: On the gasoline tax and licence fees, I don't know how quickly I could get it but I'd like to have this updated for my own information. Mr. Gilbert says he thinks we could have that figure for tomorrow night. Another row of figures that I have, that is more interesting, I guess, shows how things have changed. Of course, there are a lot of things that have changed this. Right through the 1950s, the budgets of the Minister of Highways and the Minister of Transport at those times, the two ministers, were a little over 30 per cent of the total provincial expenditures. In 1976-77 that was down to 7.9 per cent. I believe it's now getting down closer to six per cent of the total provincial budget.

Mr. Ruston: You're getting to the bottom of the list there, Jim.

Hon. Mr. Snow: I still have a substantial budget. The budget has gone up in total dollars every year, but as a percentage of the total provincial budget it has gone down consistently every year. In 1972-73 it was 10 per cent. In 1976-77 it was down to 7.9 per cent.

Mr. Haggerty: You can almost have a resolution moved that we disband MTC. You're only spending six per cent.

Hon. Mr. Snow: If you take our total budget this year, \$1,134,000,000, as a percentage of \$15,500,000,000, which is the total provincial expenditure, it's about seven per cent.

Mr. Haggerty: In other words, almost all

the taxes generated through licensing of vehicles and gasoline and diesel tax could almost be supporting the whole road program for the province of Ontario.

Hon. Mr. Snow: Basically, I don't know what the calculations would be now, based on the increased fuel tax and how much additional revenue that would generate. The Treasury would have figures on that. I think you would find that probably the road-related revenues, as I call them for lack of a better word, even with the increases will probably still fall short of covering the expenditures in my ministry.

Mr. Haggerty: I think the minister mentioned highway 406 yesterday, and I thought I'd better make a note of it. I have for a number of years suggested that the ministry carry out a study on a rapid rail transit system in the Niagara Peninsula. Years ago there used to be the old Niagara, St. Catharines and Thorold electric railroad from Port Colborne to Port Dalhousie. It used to go down through Welland, Thorold, St. Catharines and Port Weller.

That roadbed is still there yet and I was just wondering about that in comparison to the money you're going to be spending on highway 406. I don't know what benefit it is going to be to the communities there, because there is no direct hookup in a sense with the Queen Elizabeth Way at St. Catharines. People living at the south end of the peninsula there have Webber Road and regional road 24 down through Vineland. That's an exceptionally good road. The county constructed roads on the east side of the canal there. East of the city of Welland there was a new bridge constructed about seven or eight years ago across the Welland River on regional road 18 that comes out to the neighbourhood of the BF Goodrich plant and that has about a two and a half mile run to the Queen Elizabeth Way. Then it picks up and regional road 18 catches at Allanburg to the old highway 58, and across the tunnel at Thorold; you have a new direct route that way.

As I said before, to me highway 406 is just an expenditure to hook up Penn Centre, the Seaway Mall and another mall in the city of Welland. We're looking to conservation of energy now, and if all reports are true, such as what's been presented to the Hydro committee, it could be a serious problem in say 10 years from now or even a shorter span than that. To move people I think you're going to have to go by—well, it's been proven by the GO system here in Toronto, and I'm suggesting that maybe the

old electric streetcar could be put back into service there. I don't know. There should be a study there on the alternatives to what you're proposing on highway 406. For instance, take that electric railroad that goes to the city of Welland. It cuts by Niagara College and Brock University and would get people down to McKinnon's and the other industries in the St. Catharines area. I think there should be a study made in this regard.

I know you have studied the Niagara Peninsula to death, but in all these studies there has been no indication of what is best for that area. I think we are missing the boat by not looking at this. I suggest to the minister there might even be some cost-sharing arrangement with the region to see if we can't take a good look at this old electric railroad bed to see if it can't be put back into service.

Hon. Mr. Snow: It is something that I am not aware of, but it is something we could talk about with the region. Certainly the Niagara region is very supportive of getting highway 406 completed, I'll tell you that. I think 406 is to serve the whole peninsula. I don't think there is any thought that highway is being built to serve a particular mall.

Mr. Haggerty: You just look at the way it is designed.

Hon. Mr. Snow: I guess every mall that is located in Ontario is served by a highway, there is no doubt about that.

Mr. Haggerty: If people want to get from Port Colborne, for example, or even from parts of Welland, to the Queen Elizabeth, they are not going to go down through that traffic in the city of St. Catharines, that one-way traffic. You would get caught in that traffic jam trying to get out onto Niagara Street and Geneva Street.

Hon. Mr. Snow: I'm sorry. We could give you a briefing on the highway 406 project some time. We won't take the time of the committee now though.

Mr. Haggerty: You haven't got it connected directly with the Queen Elizabeth.

Hon. Mr. Snow: We're well aware of that. If you look in your green book you will see there are two major projects. A contract was awarded last year and there are two major contracts to be awarded this year.

Mr. Haggerty: I'm concerned about taking up the valuable farm land that remains in Thorold and north of Welland. That four-lane road is really consuming additional farmland which is very scarce in that particular area now.

Hon. Mr. Snow: The municipal councils

that I have met with in that area—Welland and Port Colborne, the region of Niagara, the city of St. Catharines—they are all urging me to accelerate the construction of highway 406 and to get the connection made at the Queen Elizabeth end. Then there is a lot of work laid out through Welland down to Powerline Road, or whatever the name is, where the tunnel goes under.

Mr. Haggerty: East Main?

Hon. Mr. Snow: It goes beyond East Main—Baseline Road or Powerline Road, some such name; it can be split there and go down both sides of the canal on the existing highways. Your council from Port Colborne would like to see the full four-lane freeway extended right to Port Colborne. Maybe some day it will be, but we don't see that in the planning stage at this moment.

Mr. Haggerty: That's what I'm saying; there are other alternatives I think you should be looking at.

Hon. Mr. Snow: Carrying passengers on a streetcar is one thing, certainly. Also, there is a tremendous amount of commercial traffic and truck traffic in that particular area and I don't see that disappearing.

Mr. Haggerty: The truck traffic through Welland doesn't come in from St. Catharines; the biggest quantity comes in on Webber Road and old highway 3A. It is not coming in; and it goes out of there, almost all of those—

Hon. Mr. Snow: Welland has been very strong on getting ahead with this. In fact we have agreed with Welland to advance the one section of construction, including a new bridge across the canal at Woodlawn Road. We met with the council up here last year and they approved the proposed alignment of highway 406. They asked us to proceed with the Woodlawn crossing, which becomes part of the 406 network.

Mr. Haggerty: It ties into highway 140.

Hon. Mr. Snow: It gives them another crossing over the river. We worked all that out, and it has been agreed upon with the regional representatives and the city of Welland representatives.

Mr. Haggerty: Honestly, I can't see the benefits to Port Colborne of having motorists go that way. If they want to get to Niagara College, they are not going to go that way, for sure. If they want to get to Brock University, they won't be taking that route. That means the majority will have to cross—

Hon. Mr. Snow: This has all been the result of very extensive traffic pattern studies and needs studies.

Mr. Haggerty: They are not going to cross the bridges in Port Colborne to go down the east side there, and take that chance, when they can stay on the west side and take a direct route. Highway 140 ties in with the existing regional roads up to highway 58 and across to the tunnel at Thorold. For the amount of traffic that is on that it would pretty well handle it.

When you are talking about Woodlawn, it is going to be just for the traffic for the city of Welland.

Hon. Mr. Snow: Really, Woodlawn is municipal.

Mr. Haggerty: That's right. It is not going to carry traffic from—

Hon. Mr. Snow: But it has to be co-ordinated with highway 406.

Mr. Haggerty: The argument is that the city council of Port Colborne and, I believe, the mayor said they must have access to the Queen Elizabeth Way. Surely the people from Port Colborne aren't going to go through Welland and St. Catharines to get to the Queen Elizabeth Way.

Hon. Mr. Snow: They won't be going through the cities. When highway 406 is completed, they will have a freeway right through that whole area.

Mr. Haggerty: Where are you going to tie it in, at Niagara Street and on to the Queen Elizabeth Way there?

Hon. Mr. Snow: No.

Mr. Haggerty: Or are you going down along the river?

Hon. Mr. Snow: There is a completely new cloverleaf. This thing has been studied to death. There have been hearings and hearings and more hearings.

Mr. Haggerty: I know there have been. I won't go into detail on it. I just expressed my views on it.

Mr. Gilbert: We could review the alignment.

Mr. Haggerty: I've seen some of the plans.

Hon. Mr. Snow: If you are saying you don't think highway 406 should be built, then I don't know what to say.

Mr. Haggerty: I just think that if you want to move traffic from one point to the other—

Hon. Mr. Snow: There's the whole layout of highway 406 coming around and tying into the Queen Elizabeth Way.

Mr. Gilbert: As you say, there have been a number of transportation studies in the region of Niagara. We have worked with

them. We had one of our own first, as you know, and then a joint one.

Mr. Haggerty: I know there were previous studies by the ministry in years past and other planning studies in the area which are perhaps a lot different from what you have now. Maybe they were right, some of them. You know and I know that when the final decision is made, it is almost always made by the politicians of the region for their own benefit in a sense. Where the weight can be pulled, that is the way it will go.

Mr. Gilbert: You have to agree that as far as transportation is concerned you have got to look at the entire system. You can't just look at the King's highways in isolation from the regional road system. We rely on them, and that is why we work very closely with the regions. We admit that.

Hon. Mr. Snow: I am sure we would be criticized very severely if we didn't work with local councils.

Mr. Haggerty: I realize that.

The other matter I am concerned about is the question of the final construction work at the Ridgemount crossing of the Queen Elizabeth Way in the former township of Bertie, at lot 13, concession 8.

Mr. Philip: Mr. Chairman, on a point of order: I am wondering if you are familiar with the new standing order 48(b) and (c), which places a new onus on the chairman and members of the House to exercise caution in adhering to the rule of relevancy.

I am talking about standing order 48(b), which says, "The chairman of a committee considering estimates shall apportion the time available among the minister, opposition critics and other members" and standing order 48(c), which says, "Latitude shall be permitted to opposition critics on the first item of the first vote on each of the set of estimates, and thereafter members shall adhere strictly to the vote and item under consideration."

Mr. Chairman: We are still on the first item, sir. After all, I am not responsible if these people come in here and indicate to me that they want to speak. I list their names. If somebody comes in afterwards and I list his name, he follows. This is what has happened. It wasn't my fault if you people didn't have any representation when the meeting started last night.

[10:45]

Mr. Philip: Mr. Chairman, on the point of order: You do have as chairman the responsibility of enforcing the standing orders of the House. Standing order 48(b) clearly

says that there should be apportionment of the time available among the minister, the opposition critics and other members. That suggests to me there's apportionment among the Conservatives, the Liberals and the NDP in terms of time, and also that only the critics have considerable latitude on the first vote. I would suggest that latitude is certainly being exercised to the limit at the present time.

Mr. Haggerty: I think the member is quite correct, but my point is I'm dealing with policy and the only place one can deal with that is under administration, dealing in particular with the minister himself. The last point I raised concerned this change in policy by the ministry. I want to know why it was changed and I can't get that in any vote other than this one dealing with the ministry.

This relates to the crossing on the Queen Elizabeth Way at the Ridgemount Road, now in the town of Fort Erie. In 1967, there was a plan that was produced and agreed upon by the former township of Bertie that there would be a partial cloverleaf there.

The ministry bought property there from Mrs. Boluk. I don't have to tell the minister about that lady. She appeared before one of your predecessors—I think it was Mr. Gomme—a couple of years ago. Eventually the ministry walked in and took her property, some four or five acres, to put in that partial cloverleaf, the slip-on at the Queen Elizabeth Way. Somebody changed the design or the policy related to this crossing and today all it is is a fly-over.

I discussed this with you last year and I thought perhaps you would give consideration to it. There are two quarries there that have to use this slip-on to the Queen Elizabeth Way to get their stone to St. Catharines and Niagara Falls. The other way they have to backtrack about six or seven miles out of the way or go through the small village of Stevensville. That is causing some problems there with all the trucks going through there.

The job is not quite completed. I understand there may be some funds still available. I ask you to take a second look at it and see if you can't go back to the original proposal of putting the slip-on there. It was agreed upon. I don't know where the changes came about. I understand from the information I have, though it may not be correct, that the town of Fort Erie was not aware of any changes in this design. It is changed now. It's just a fly-over. Perhaps you can take that back, give it some con-

sideration with your staff and get back to me later on.

Hon. Mr. Snow: We have had meetings on this. If I recall rightly, this is the same intersection that we had meetings on several times.

Mr. Haggerty: I believe the final settlement of the property was back in 1974 or thereabouts. You know the problem with that particular lady. She'll be marching over here before long.

Hon. Mr. Snow: I recall having a detailed meeting on this with the municipal representatives from that area. We have had correspondence on it. I don't recall the exact design, but there is a cloverleaf in each direction very close to this fly-over.

Mr. Haggerty: There is a small river there so you can't get to it. You have to backtrack about three or four miles to get around it.

Hon. Mr. Snow: I know the matter has been discussed and considered.

Mr. Haggerty: I won't take any more time; just take another look at it.

Hon. Mr. Snow: I have met with the municipalities. We have explained the design criteria. In fact in all of the projects we have we have a liaison with the technical advisory committee in the area. I'm sure this has gone through a lot of discussion. I can't just find the particular road.

Mr. Haggerty: That's perhaps another problem with the regional setup there; with the advisory committee you have there much of the information does not get back to the local council.

Hon. Mr. Snow: There has been some reconstruction of service roads and connections there. Then there is a cloverleaf at Town Line Road and a cloverleaf at Bowen Road, is that right? This is halfway in between.

Mr. Haggerty: But you closed off about two or three roads in that area which used to have access to the Queen Elizabeth Way, which I agree should have been closed off. I won't take any more time, I will talk with Mr. Gilbert later on, or one of the staff.

Mr. di Santo: I would like to raise with the minister a minor issue in terms of policy within the overall estimates, but which is of concern to a great number of my constituents, and also I suppose for other residents in the province of Ontario. That is the question of noise barriers. I have been raising this issue almost every year since I was elected. I still don't understand the policy of the ministry.

In this year's budget, apart from the Ottawa region there are four sections in Metropolitan Toronto of highway 401 where you are erecting sound barriers.

Hon. Mr. Snow: This year? Yes.

Mr. di Santo: These are from Avenue Road easterly on the north side and on the south side; and the others are from Bathurst westerly on the south side, and from the Allen Expressway on the north side.

For three or four years I have been raising the problem existing in the area from Jane Street to Dufferin, which is a very congested area. It is densely populated, not on both sides, but from Jane to Dufferin on the south side and the part on the north side up to the buildings of the Ministry of Transportation and Communications and east of Keele Street, and partially on the south side.

I have been writing to the minister, we have had very long correspondence, I tried to extort from you what are the policies.

Hon. Mr. Snow: Extort?

Mr. di Santo: Yes, tried to extort because I couldn't get an answer.

Hon. Mr. Snow: Extortion is against the law, isn't it?

Mr. di Santo: I was tempted many times to go against the law because I couldn't get a straight answer. Every year you tell me that area has not been chosen because it is not a priority area.

I would like to ask you, what are the principles on which you base your choices: the population density, the housing, the noise created in that particular section of the highway? What are the principles? I still do not understand them. They are not clear to me.

Hon. Mr. Snow: If I can go back a period of time to about two or three years ago, when in grappling with this problem of serious highway noise there were several policy decisions proposed by myself to cabinet which were approved. Basically, where there is major freeway construction or major freeway traffic, a decision was made that from that time on, in new freeway construction or widening, where there were existing houses, existing residential development, noise barriers would be built as part of the construction contract. That was the one policy decision that was made. That is being done now, for instance, in Oshawa where we are widening 401 through the built-up area; if you drive out there now you will see noise barriers being built as part of the construction contract. I think that was the first place where we put that into force.

We also said that in future, where new residential development is going on adjacent to an existing freeway, the noise barriers—berms or noise attenuation of some type—will be the responsibility of the developer; just as it is his responsibility now to put in water-mains, sewers and streets. So if a municipality approves a new subdivision adjacent to a freeway, then the developer must pay the cost of noise attenuation. That is controlled jointly through my ministry and the Ministry of Housing in approving the subdivision.

That left us with the existing problems of whether or not there are heavy noise concentrations in existing residential development; neither of those two policies worked for that unless there was going to be reconstruction through the area.

So we set up a third policy of retrofit, as we call it; in other words, going back and putting in noise barriers in these areas. We set a budget. This is not a separate item, you won't find it in your estimates book, but it is a general policy we established of setting out \$1 million a year. Do we take \$1 million out of our general road construction program and say we will build \$1 million worth of noise barriers each year? It varies; it might be \$950,000 this year; it might be \$1.2 million next year.

Mr. di Santo: I think it is \$2 million this year, isn't it—more than \$2 million?

Hon. Mr. Snow: Is it? I am sorry; when it started out, it was going to be \$1 million a year, I know that. That is probably down in vote—

Mr. di Santo: It is \$2.3 million. It is on page 27 of the green book.

Hon. Mr. Snow: In any case, \$985,000 was the amount established for the retrofit program in 1978. In 1979 we have increased that, in fact more than doubled it, to \$2.3 million.

There are many areas across the province where this problem exists to one degree or another. The two most serious areas are highway 401 through Metropolitan Toronto and the Queensway in Ottawa. So we have been dealing on a priority basis. There are well over 100 different segments of residential development, I believe, which have been identified for consideration.

There is an evaluation process. It is very complicated and detailed. I would be happy to have you meet with one of my staff in Downsview who administers this program and who can explain it to you, but it is based on the number of residences in a total area. If 100 residences are affected by half a mile of noise barrier, that area would have

a higher priority than would one of 20 residences; there would be a greater cost benefit for the dollars spent. If a \$500,000 noise barrier is going to improve the situation for 100 residents compared to 20, that would receive a higher priority. We take into consideration the noise level at that location. If the noise level is 70 on one location and 60 on another, that is taken into consideration, and the cost-benefit ratio as well.

[11:00]

Each year, after the noise barriers have been built, the staff that studied this do a re-evaluation to see what the benefit has been, how much they have been able to reduce the noise. We do surveys with the residents to see what the perceived benefit is, not only noise but lights, dust, dirt, transients coming off the highway, privacy, all the different things are reviewed, especially after the first couple that we built as experiments. Each year the staff recommend a number of noise barrier locations that are the highest priorities.

Mr. di Santo: So you have a plan for each year? You don't have a five-year program or a three-year program; you have a program decided year by year?

Hon. Mr. Snow: It is an annual program that is established normally about September or so of each year as to what jobs will be done the following year and that gives them time, once I approve that plan, to go ahead with the design and get the contract drawings ready to build the project.

Mr. Gilbert: We have an overall priority.

Mr. di Santo: That is what I am trying to find out.

Hon. Mr. Snow: All these sites have been ranked.

Mr. di Santo: Do we have access to that list or is it secret?

Hon. Mr. Snow: No, it is not secret.

Mr. di Santo: It is interesting for us, because instead of coming every year to estimates and raising the same issue without knowing where the section of our concern rates in your priority list, if you tell us—

Mr. Gilbert: Are you saying if you knew the rating of each area?

Mr. di Santo: Next year I would not come and ask the minister if I knew that my area was very low in priority.

Hon. Mr. Snow: I thought we had a briefing session. Did we not invite you and other members to Downsview to a meeting one time? I am sure that was done.

Mr. di Santo: I was not invited.

Mr. Gilbert: I thought the members all along highway 401 were invited.

Mr. di Santo: I was not.

Mr. Gilbert: It was just after we developed the policy.

Hon. Mr. Snow: That was a couple or three years ago.

Mr. Gilbert: The minister had us invite the members in. I know we had two or three different meetings at Downsview, particularly with all the members along highway 401.

Mr. di Santo: I was not invited. I have corresponded with the minister and I have a very thick file, because the residents are asking me what happens.

Mr. Gilbert: We can certainly set that up again.

Mr. di Santo: If the noise level and the density of the houses in the area is one of the criteria, I think that is one of the logical areas because it is densely populated and the noise level is just unbearable.

Hon. Mr. Snow: Noise barriers are not the only thing we have been doing either. We have been using the new type of resurfacing on highway 401. Where we have been resurfacing we have been using what we call the carpet seal pavement. That is a tremendous improvement. You don't see any noise barrier but there is a tremendous difference in the level of noise from this newly developed pavement. The whine from the tires disappears completely, especially comparing it to some of the earlier grooving, where sections of concrete pavement were grooved, creating a real singing noise from the tires. We are not doing that type of grooving any more and in some of those areas we have resurfaced with a thin coat of resurfacing to reduce the noise level. In some cases, the dollars spent on that are of more benefit than building a barrier.

Mr. di Santo: I think that is just west of the area I am talking about, west of Jane Street.

Hon. Mr. Snow: The first path was right up Keele Street, wasn't it?

Mr. Gilbert: It was in the centre core around Keele, yes.

Hon. Mr. Snow: The section I notice most is turning down Avenue Road, from Avenue Road westerly on the south collector lanes. As you are driving along there on the pavement you hear the singing noise in your car, but as soon as you hit this new type of pavement it disappears.

Mr. di Santo: Can I contact the deputy minister's office?

Hon. Mr. Snow: I would like to set up a meeting with the experts, the ones who have done all the studies on this. They can give you very technical information on the evaluation. I am sure they can tell you where the particular sections you are concerned with rank on the priority list. That may make you happy or it may make you unhappy, I cannot tell you, but we will provide that.

Mr. di Santo: I suppose you do not survey the residents before building the barriers? Some of them are in favour, obviously. You said you survey the residents after the barriers have been erected.

Hon. Mr. Snow: We have done surveys before and after. I don't know whether they are doing that on every one, but I know when the staff presented me with their recommendations on this policy two or three years ago, they had very extensive surveys they had done both before and after.

Mr. di Santo: Do you have an idea how much will be spent, in total, to erect barriers, to retrofit all the areas in the province?

Hon. Mr. Snow: The 1975 estimate was only for 31 locations by the looks of it. The experts will tell you that for some areas even if you build the barrier it is not going to do any good.

Mr. di Santo: I understand that.

Hon. Mr. Snow: We are not saying there is no noise there, what we are saying is that building a barrier will not help; all it would do is pacify the people who got a barrier.

Mr. Young: A psychological barrier.

Hon. Mr. Snow: It is a psychological barrier.

Mr. di Santo: When you made the calculations, did you get a rough number of the millions it would cost to erect barriers where you thought they were necessary?

Hon. Mr. Snow: The figure I have here is about \$7 million to do 31 locations. How many locations are there, Phil? There are 100 sites. There are 100 sites that have been identified and studied and ranked as noise barrier locations.

Mr. Cunningham: Is that the report?

Mr. Philip: Can the minister table the ranking?

Hon. Mr. Snow: This is not the report, this is just a list of some of the items.

Mr. Cunningham: What he wants is a ranking.

Mr. Philip: Can you table the ranking?

Hon. Mr. Snow: Certainly. We have said we would do that.

Mr. di Santo: Is there any way you can accelerate the program?

Hon. Mr. Snow: We could.

Mr. di Santo: It doesn't seem that way.

Hon. Mr. Snow: We have accelerated, from \$985,000 in 1978. I took this plan to cabinet two or three years ago and we recommended a policy that we allocate \$1 million a year to be spent on this, as I have explained to you. To meet some of the pressing needs we have allocated \$2.3 million this year, so we are accelerating. That money has to come out of our general construction budget. If we build \$2.3 million worth of noise barriers that is one cloverleaf we don't build or one piece of highway we don't resurface.

Mr. di Santo: I understand that. If you think the amount of money to be spent to erect the barriers is not that high, and if you think you can accelerate it somehow, can you give us any idea within how many years you will be able to erect barriers where they are needed?

Hon. Mr. Snow: It all depends how much money we allocate to it, that's about it.

Mr. di Santo: You haven't done any study on that?

Hon. Mr. Snow: We've set up the program for 1979.

Mr. di Santo: You know there are 100 locations, but apart from that—

Hon. Mr. Snow: There are 100 identified or studied locations. I'm not saying all those 100 locations will get barriers. In some cases they probably won't work.

Mr. di Santo: I understand that. You have 100 locations. Some of them need barriers and some of them don't. You have a certain number of dollars to allocate to barriers. Are you planning to erect the barriers within a certain number of years or are you going on a year-by-year basis?

Hon. Mr. Snow: It's an ongoing program. Each year we allocate a certain amount of money. When we considered our program last fall for this year, in order not to have the program going on and on for years, we more than doubled the amount of money we normally had planned on assigning to this.

Mr. di Santo: But you still cannot say how many years you will take to complete everything.

Hon. Mr. Snow: I can't tell you exactly how many years. There are 10 locations

planned for 1979. Whether we'll get all 10 done—

Mr. di Santo: Is my location in that list?

Hon. Mr. Snow: There are four locations on highway 401: from Avenue Road easterly, north side; Avenue Road easterly, south side; Bathurst Street westerly, south side, and the Allen Expressway easterly, north side.

Mr. di Santo: Yes, I know that.

Hon. Mr. Snow: Those are four of the locations. There are six locations in Ottawa.

Mr. Philip: I'm happy that I can ask my supplementary. It's easier to cut in on the Liberal transportation critic than it is on some of the members of the committee.

Mr. Riddell: Particularly your own colleagues.

Mr. Philip: Particularly my own colleagues. Would you not say that the perceived benefits of the barriers are far greater than the actual benefits, at least in terms of sound? In terms of spending your money, would you say that the state of the research is such that we can get greater benefits by putting that money into resurfacing with some of the modern surfacing than we can with sound barriers as such?

Hon. Mr. Snow: I think I just said that a few moments ago. There are some locations where building a barrier, my experts tell me, would not really be any great improvement to the actual noise levels.

Mr. Philip: But it's necessary because people believed it would.

Hon. Mr. Snow: The elevation of the road, the elevation of the houses and many other things, apparently, enter into this. One of the problems is that the residents in one area see a barrier being built, for instance, on the south side of the highway. They're on the north side and they wonder why they aren't getting one.

One argument I heard the other day was that when we built the barrier on the south side that deflected more noise on to the north side and made that part worse. My experts say that's not possible. With the width of all those lanes and all the traffic there's no way noise is being deflected across, but that's what the residents perceive.

Mr. Philip: The noise barriers can create additional noise problems in areas just a few blocks away from the people who originally complained.

Hon. Mr. Snow: I won't say that's not possible. I don't know whether we have any evidence to show that. I know out in

Scarborough there was a particular section there where there was adequate land. The residents' committee got together and worked with the borough of Scarborough, and with us; they got all the fill from excavations and are building a big berm along there, a mound of earth.

I've met with that group half a dozen times over the last three or four years. Quite a bit of the berm is built, although it's not finished yet, and they say it's really helping.

Mr. Philip: It probably has an aesthetic value rather than an effect on the sound levels.

[11:15]

Hon. Mr. Snow: No; in many of our new locations we are putting the highway below grade through residential areas, instead of building it right up on the level.

Mr. Philip: Such as the Allen Expressway.

Hon. Mr. Snow: We are cutting it down, or using surplus fill to build berms as part of the construction. There was some of that on highway 404, and that's planned on other new freeways that are some years down the road for construction. That's the way we are going; that's really, the out of sight, out of mind approach. The road is depressed and there are berms; the people can't see the cars and trucks going by, and there is no doubt the berms do deflect the noise. However, in many of our areas we just don't have enough width to do that.

Mr. Philip: I have no further questions on this vote, Mr. Chairman.

I would like to reintroduce, though, the request I made earlier that the clerk be asked to bring the following people before us for the inquiry into the Ontario Highway Transport Board: Ron Secord of Fonthill, Ontario, who is an employee at the Liquor Control Board in Welland. Mr. Secord was the one who was alleged to have asked for certain moneys in return for certain favours; you will recall that was alleged by Mr. Quinn. Mr. T. J. Sommerville is the lawyer in Toronto.

Mr. Sommerville, the members of the committee will recall, was the lawyer who is alleged to have brought the executive from the Bundespost to meet with the chairman during the UPS case without advising the applicants for the licence there was this meeting taking place.

Lastly, the Ontario Trucking Association; the Ontario Trucking Association certainly has been a respondent in many of the cases before the transport board and the operations of the transport board certainly affect the trucking industry and officers of the asso-

ciation are the major spokesmen for the industry. Also, the Ontario Trucking Association had some very strong views before the select committee on the highway transportation of goods. Since the focus in our report should be on policy matters, I think it's important we have the Ontario Trucking Association before us. I would ask that the clerk bring these people to us.

As a matter of procedure, I also would suggest, Mr. Chairman—I have talked to Mr. Cunningham about this and he agrees with the idea—since the second is planning, research and development and since we are going to Kingston on Wednesday, I would think it would be appropriate to stand down that vote and move on to safety this morning. Then we perhaps could deal with regulation tomorrow evening when the new chairman of the transport board is before us. I understand he will be free to come before us.

So as a matter of procedure, I would suggest we pass this vote, and that we then stand down vote 2602 and move on to safety and regulation, with the understanding that regulation not be handled until Thursday evening. We would deal with safety this morning and try to finish it off before one o'clock.

I am concerned, with the limited time we have available, that if we spend all the time on the first vote we are not going to get around to municipal roads and transit. I also understand that TATO is coming Thursday evening.

Hon. Mr. Snow: TATO is coming tomorrow evening.

Mr. Philip: If we limit them to one hour, we can have Mr. Alexander for the remainder of the time and that will get that out of the way. I think the Liberals are in agreement with that, so if that meets with your approval, Mr. Chairman, I'll so move.

Mr. Chairman: Are members of the committee all in agreement?

Agreed.

Mr. Philip: I therefore move to approve the first vote. May we move the first vote?

Mr. Riddell: Mr. Chairman, before you get on to the next speaker, I wonder if I could raise a point of privilege. Last night in my line of questioning in committee I happened to question the expenditure of the parliamentary assistant. I indicated at the time I thought it was part of his responsibility to be in attendance at these committee meetings. Somehow the message was conveyed to the parliamentary assistant. He popped into the committee last night about

10:25 p.m. and raised a point of privilege taking offence to my line of questioning about his responsibilities. I believe he indicated he was in the House speaking on a matter related to a courthouse in London.

I might just indicate, Mr. Chairman, that this has been resolved by a bill that was introduced by the Minister of Government Services (Mr. Henderson), a bill which received third reading and has been proclaimed. So what he was talking about in the House I have no idea. But I do note his absence in committee this morning and I simply have to question again, Mr. Minister, just what the parliamentary assistant's responsibilities are. I don't mean to demean the guy in any way, but I think I have every right to question his responsibilities to justify the expenditure of \$5,000 for a parliamentary assistant. I'm sorry that he takes offence at this line of questioning.

I was absent at the time he came into the committee meeting because I've been swamped with calls from the press, from TV and from radio about the question of foreign investment in agricultural land. I spent practically all of last night, after I left the committee at about 10 o'clock, trying to explain my concern about this foreign investment. I'm trying to spread my responsibilities around; perhaps the parliamentary assistant is doing the same thing, but I do feel badly that he takes offence at my line of questioning on an expenditure which I think has to be justified.

Thank you very much, Mr. Chairman.

Hon. Mr. Snow: I don't know whether you're looking for any response from me on that or not. I think I explained last evening many of the duties that Mr. Eaton has performed. I recalled afterwards I did not mention that at our policy meetings every second Monday morning, for instance at Downsview where we discuss policy items, Mr. Eaton normally sits in on those meetings. He sits in every time he can be there. Where he is today I can't answer.

Mr. Riddell: I'm sure he's busy.

Hon. Mr. Snow: He's always available and willing to carry out any duties I ask him to take on. As I said yesterday, he meets with delegations and—whether he's a member of this committee or not—

Mr. Ruston: He's cutting ribbons.

Hon. Mr. Snow: There are other committees sitting today. He may be there, I don't know.

Mr. Chairman: He is a member of the staff.

Mr. Philip: One would think if you're present the presence of the parliamentary assistant is not necessary. I always think the parliamentary assistant is there to fill in for the minister if the minister is detained elsewhere.

Hon. Mr. Snow: We have the parliamentary assistant for the Minister of Agriculture and Food here.

Mr. Philip: Yes, and we have your former parliamentary assistant too. He was here up until a few minutes ago.

Mr. Ruston: He could probably do both jobs very well.

Mr. Chairman: In fairness, before I finalize this, before this vote is taken, Mr. McGuigan intimated last night that he wanted to speak. Is it on this item, on the first vote?

Mr. McGuigan: Yes, please.

There are a number of general questions, but because I'm tied up in the committee next door it will be difficult to get in the exact time.

Mr. Philip: With respect, Mr. McGuigan, if you can hold up for just a second, we do agree then that those people will be invited?

Mr. Chairman: Yes.

Mr. Philip: No vote was taken on that.

Mr. Chairman: Oh, yes.

Mr. Philip: Fine; sorry, Mr. McGuigan.

Mr. McGuigan: I won't be very long, Mr. Chairman.

Over the course of the last year I've had a number of inquiries from municipalities in my riding—Thamesville, Dresden, Tilbury East, Kent county and Romney—endorsing a resolution from the township of Rochester in Essex county. It's to do with the reconstruction of bridges and the financing of these bridges. I think you answered a question last night from Mr. Mancini in which you said you were looking for additional finances to try and alleviate this problem. I'll take that as the answer. I don't think we need to go over it again.

Hon. Mr. Snow: As I recall, the township of Rochester resolution was that when a municipality builds a bridge the total funding be made available for that project during that particular year.

Mr. McGuigan: Yes, that's what they're asking.

Hon. Mr. Snow: In most circumstances that is the case. We're only allowed to extend funds to the municipality when the municipality makes the expenditure. There are many times bridges are not all built in one year, many times they carry over into two years.

I'm just thinking of the famous Elora Gorge bridge right now, on which the county of Wellington have recently, I believe, awarded the contract. That will be partially built this year and partially built next year, so the funds will flow over a two-year period. There's no way, legally, that I can allocate those funds in one year; why should we allocate the funds this year when they're not going to spend half the money until next year?

I remember representatives of the county of Kent came to see me a number of years ago about the Communications Road bridge—is that the one I'm thinking of? The county council wanted to build that bridge, quite a sizeable structure. They wanted it for their own purposes. They had to put up a portion of the money as well. They wanted to build it over two years so that it wouldn't all come out of one-year's budget; so we agreed to fund it over two years.

The city of Chatham—I forget the name of the bridge they want to build at some time, it's a controversial one right in downtown Chatham; we agreed to give them \$100,000 a year, I believe it was, for a period of years to acquire property gradually, then we'd deal with the bridge when the time came.

There is one in the city of Mississauga right now that is under construction. It's about a \$10 million project. It will be spread over three construction years. There were certain moneys expended in 1978 for property purchase and design. The tenders were called, I think about November-December 1978. The contract was awarded early in 1979. There is going to be about \$4 million expended this year and the balance of about \$4 million, I believe, next year. So the resolution in certain cases makes sense, but in many cases it's impractical to live with that type of a resolution.

Mr. McGuigan: I think, Mr. Minister, their concern is that it's only been recently brought to their attention that these bridges are in such bad shape, and of course they're anxious to try and remedy it.

Hon. Mr. Snow: I explained last night, where a municipality has a number of bridges that need repair or replacement, we ask them to establish their priorities, try to set up a five-year program of replacing or repairing and we then try to fund it to the best of our ability. Sometimes, if we're short of money, we have to ask a municipality to call the job late in the year. Quite often bridges can be built in the wintertime. We quite often ask them to call the job in September or

October so they can probably get the foundation work done in the fall; they can work at the bridge-forming and other work—during the winter and pour the thing in the spring. That automatically splits the thing between two years and it supplies employment in the wintertime. You can't be working on some kinds of projects in the wintertime but quite often you can on these structures.

Mr. McGuigan: I'm satisfied with your answers, Mr. Minister.

Hon. Mr. Snow: It's very simple to pass a resolution like that. I must have a thousand letters from municipalities, all endorsing it. It's a great idea; so sure they endorse it, not realizing the complications.

Mr. McGuigan: It does show they're anxious to correct these problems as quickly as they can for the benefit of their citizens.

Hon. Mr. Snow: So are we.

Mr. McGuigan: I'd just like to mention some safety things.

Hon. Mr. Snow: The safety vote is the next vote, but I know we are wandering anyway.

Mr. Cunningham: I think Ed Philip had a very valid point. We've been all over the map, and I think the minister has been pretty fair in tolerating it—the committee chairman has, too.

Hon. Mr. Snow: It's up to the chairman. Don't say it to me.

Mr. Cunningham: I think we should try and get some semblance of order here. Why don't we poll the members right now and find out if there is anything more on the first vote?

Hon. Mr. Snow: We did that a minute ago, before you came in.

Mr. Cunningham: I'm sorry.

Hon. Mr. Snow: And it was agreed that Mr. McGuigan had a couple of questions, and then we would pass the first vote.

Mr. Cunningham: Oh, fine; I'm sorry.

[11:30]

Mr. McGuigan: You said you are quite concerned about the tilt-bed truck because it has a knife edge at the back; as I recall you said if there was one thing you were going to do in your term as minister it was to correct that. I wonder if you've made any progress?

Hon. Mr. Snow: I haven't been successful yet.

Mr. McGuigan: Every time I see one of these things I'm reminded of what you said,

and I know you are concerned.

Hon. Mr. Snow: It's a real problem. We have been doing some work on it. I haven't had an update of what the staff have found out to this point, but it's a real problem. These tilt-bed trucks are very important to industry for moving heavy pieces of equipment—vaults, safes and machines, even fork-lift trucks. They can run them up and tilt them down and—

Mr. McGuigan: By their very nature they have that knife edge.

Hon. Mr. Snow: By their very nature they have to tilt. It's very hard to build under-ride protection under the rear of the trucks that would not have to be removed to let them tilt.

Mr. McGuigan: Could you let us know the current state of your research or what you're doing in that regard?

Hon. Mr. Snow: Bob, do you have any report on where we stand now?

Mr. Humphries: I have nothing more than our project to try to design some sort of a sign that we could put across the back of a truck. It would fit over the knife edge and be a sort of camouflage; but there would be an emergency sign on the back of the truck. It poses some real problems for the industry to take it off and put it back on again. So really, that's the stage we're at. There's a possibility of being able to design some of these trucks with a knife edge that either turns down or flips up. Some of them do have that system, where you have an elevator in the back to lift the load and put it on the truck.

Hon. Mr. Snow: That's the hydraulic tailgate.

Mr. Humphries: A type of hydraulic tailgate. That is one possibility. But we haven't gotten anywhere with that yet.

Mr. McGuigan: What I'm thinking of, and I think the minister was too, are the hydraulic towers on some trucks now. They have hydraulic pumps and valves and so forth. Surely some sort of retractable barrier could be put underneath that knife edge. It wouldn't have to be at the very back end, but at least far enough so you don't shear off the top of the passenger compartment.

Hon. Mr. Snow: That's one possibility; or you could have the back five feet of the truck hinged to pull up and stand upright behind the load. As I say, they're important to industry, they're necessary; we're trying to work out something that doesn't create

a hardship to people who own these vehicles.

Mr. McGuigan: No argument there, Mr. Minister. I just wanted to remind you of what you had said, hoping that you hadn't made mere promises.

Mr. Gilbert: It's still active.

Hon. Mr. Snow: Not as active as I would like to see it.

Mr. McGuigan: A while ago, a trucker friend of mine told me: "While driving 401 this winter, I seem to find an awful number of trucks in the median or off at the side of the road. They seem to be quite noticeable." This trucker friend told me that when they went from the 9,000-pound front axle to—I think it's 12,000 pounds now—

Hon. Mr. Snow: Twenty, isn't it?

Mr. McGuigan: It's 20 now? He told me that if you drop a wheel off the pavement on a slippery road, if a fellow nods off to sleep for a second, or because of inattention or whatever if you—

Hon. Mr. Snow: You're not supposed to do that.

Mr. McGuigan: Yes, I know; but if you get to the edge of the road, with these weights that are now on the front end of a truck, he says you just can't pull it back.

Mr. Gilbert: I haven't heard anything like that, Mr. Minister. Mr. Wilmot here has been working with the industry on it; maybe he's aware of some problems. I certainly haven't heard of any problems—

Mr. Philip: I wonder if we could just pass the vote—this is the next vote that we're going on to—and let Mr. McGuigan continue his questioning under the safety vote.

Vote 2601 agreed to.

Mr. Chairman: We skip the next vote and go to vote 2603.

Mr. Philip: We stand it down, Mr. Chairman. Stand it down, not skip it.

On vote 2603, safety and regulation program:

Mr. Wilmot: Mr. McGuigan, I would suggest to you that in actual fact the situation now is safer than it was before. Prior to improvement in the legislation there was no consideration in the legislation as to the manufacturer's rating of the front axles. Today they must have the manufacturer's rating equal to the load that they are carrying on the front axle, and I would suggest to you that's a safer situation now. There are always situations that a trucker

can find himself in where he may have minimal steering capability.

Mr. McGuigan: His point was the extra weight that's now on the front wheels.

Mr. Wilmot: We have not observed in our weight enforcement program any great increase in weight on front axles and, indeed, prior to the present legislation the operators were putting quite large tires on their front axles and these gave them less steering capability on some surfaces.

Mr. Gilbert: Was this a newly designed vehicle, Mr. McGuigan?

Mr. McGuigan: He was speaking in general terms. This chap has been in the trucking business all his life.

Hon. Mr. Snow: I've had these kind of comments from some drivers. Some drivers like Fords and some like Chevrolets. You'll get some drivers or operators who will claim they don't agree with the policy of allowing the higher weight on the front axle. There's nothing that says they have to load their vehicle to the maximum. I've seen a lot of trucks where, if you put too much load on them, you ended up with no weight on the front wheels and you were in a hell of a dangerous situation. Our statistics would show that, providing as Mr. Wilmot has said the front axle has a 20,000 pound or 12,000 pound manufacturer's rating, it's capable of properly operating carrying that load.

One of the biggest complaints of the truckers is that they cannot arrange their load on their vehicle to get that much weight on the front axle, so they don't get their full gross because the design of the older trucks doesn't give them that much weight on the front and they're not getting as much gross as they think they should. That's one of the more common complaints. We in Ontario have one of the highest loading allowances for trucks of any province, but truckers being what they are they'd always like that extra ton.

Mr. McGuigan: In a competitive world you have to stay abreast of your competitors or you're soon out.

Hon. Mr. Snow: I had one trucking company in complaining very bitterly about the fact that the maximum is 140,000 pounds; if they have the exact configuration the maximum gross weight is 140,000. This fellow was claiming that with his configuration he could get only 130,000 pounds, because he couldn't get the load distributed properly, or his axle widths between the tandems wasn't right or something. He was hauling mainly from the Toronto-Hamilton area to Winnipeg

and west. "What do you do when you get to the Manitoba border?" he was asked; because their maximum weight is about 110,000 pounds for the same configuration. "Oh, well, when we get to the border we have another tractor come out; we split the trailers and take it on in two loads."

I said, "Here you are complaining to me that Ontario isn't giving you enough weight and when you get to the Manitoba border you are prepared to split it in two loads."

Mr. McGuigan: This item really had to do with safety of steering and the man was not concerned about his loads. I observed quite a number of trucks on highway 401 this winter which seemed to have slipped off to the side of the road; they don't recover, they keep right on going.

Hon. Mr. Snow: That is probably more a driver problem than a truck problem.

Mr. McGuigan: Perhaps. One last item to do with safety. On highway 3, at Blenheim, there is an old, disused railway bridge. At one time a railway went from Chatham to Erieau and passed under highway 3 just at Blenheim. There is a sign on it now which says 15-ton limit. Trucks and buses pass over it which weigh, I suppose, as much as the ones you are talking about. What sort of danger is someone in, passing over that bridge when it says only 15 tons?

Hon. Mr. Snow: The road passes over the railroad track, does it?

Mr. McGuigan: Yes.

Hon. Mr. Snow: You said the railroad track is abandoned?

Mr. McGuigan: It is abandoned. I don't know much about engineering, but it seemed to me they could fill that up from underneath with something.

Hon. Mr. Snow: You would have to get a CTC order and all kinds of things to remove that, even though the track is abandoned. Does anyone have any details on that particular spot?

Mr. Watson: I am under the impression the bridge is to be done away with and it is to be made level through there this summer.

Mr. McGuigan: If it is, that's fine.

Mr. Watson: I am under that impression. It is not a big item, it is one bridge.

Mr. Ruston: Yes, but it's on a highway.

Mr. Watson: As Jim says, it is right on the westerly limits and it is of no use as an overhead.

Mr. McGuigan: The Port of Erieau was once a coal-importing port.

Mr. Watson: The railroad's kaput, there is no question about that.

Mr. Gilbert: We would still have to go for a board order from the CTC to close it.

Mr. Watson: The railway isn't there any more, the tracks are gone now.

Hon. Mr. Snow: I don't have any details; it is on highway 3, you say?

Mr. McGuigan: Yes, Blenheim westerly limits. The sign says 15 tons, but I am sure there are trucks going over there that are 60 or 70 tons.

Mr. Watson: I was told by someone that was to go out this summer.

Hon. Mr. Snow: We will get you the information on that. I don't have it right now.

Mr. McGuigan: That is fine. I have had an inquiry, though not related to safety. There is a local group situated in Blenheim, but it includes members located all along highway 3. They are trying to promote the so-called Talbot parkway. They wish to see this highway made a scenic and historic route to encourage tourists to come along that route, thus taking some of the traffic off highway 401 and showing the beauty and historic sections of the north shore of Lake Erie.

They say this relates to the St. Clair Parkway. Can you tell us what is required or what involvement your ministry has in this, if any; that is in recognizing and establishing a parkway?

Hon. Mr. Snow: A parkway is somewhat hard to define. What a parkway means to one person is altogether different from another. To some a parkway means an expressway and to others it could mean—

Mr. McGuigan: I have a short concept of it here, if you care to—

[11:45]

Hon. Mr. Snow: There is a St. Clair Parkway Commission that operates a bunch of parks and what not all the way along the St. Clair River. In that case the old highway 40 is all being upgraded and the new highway 40 has been built. The old highway 40 is reverting back to the county and is going to be called, as I understand it, the St. Clair Parkway because it will be a county road. There are some sections of highway 2 in eastern Ontario which have been designated heritage highways and are signed in that way. I don't know who is involved, but some part of this is done by the Ministry of Industry and Tourism, I believe.

Mr. Gilbert: That's right. We have had numerous discussions over the years about

naming highways, as the minister says, and whether it is a heritage highway or something else. The Ministry of Industry and Tourism has always taken the lead on this.

They had a proposal a few years ago to name a number of them in Ontario. That seems to have been dropped. There are pros and cons in naming one particular route as opposed to a certain route; but if this is in that area more than the local county or what have you they would certainly be taking the lead.

Hon. Mr. Snow: What section are you talking about?

Mr. McGuigan: Actually they are talking from Fort Erie to Windsor, so it takes the whole shore of the lake into account.

Hon. Mr. Snow: A lot of that is now covered. Your colleague from Welland or Port Colborne knows all the fun we had with the heritage highway 3 through Wainfleet and area last year. That is designated a heritage highway.

Mr. McGuigan: How far does that go?

Hon. Mr. Snow: I don't know. Highway 3 is a rather major highway. It depends on what naming it a parkway does.

Mr. McGuigan: I could give you the definitions.

Mr. Gilbert: Who did this? Whose definitions are these?

Mr. McGuigan: Their own. This is what they are asking for: "A beginning and an end; continuous; provides multi-interest nodes along the route; historic sites, plaques, recreation facilities; restricted to car traffic only."

Hon. Mr. Snow: That is what I was concerned about.

Mr. McGuigan: Is the St. Clair thing restricted to cars only?

Hon. Mr. Snow: No, I don't believe so. That highway is designated a heritage highway right from Fort Erie to Windsor. It is on the road map. It is a yellow designation, which is a heritage highway designation right through.

That doesn't mean to say it becomes a cowpatch. It is still part of the provincial highway system. It is designated as a heritage highway, as you say, to encourage the people to see the small towns, the points of interest and historical sites along the particular route.

Mr. Gilbert: Highway 21 is the Blue Water Highway. It runs all along the shoreline. The ones that are named are all listed on our latest roadmap. If they are trying to lay another name on top of it, there is—

Mr. McGuigan: They are trying to bring attention to all these various historic and scenic sites along there.

Mr. Gilbert: You would think they could go along with the heritage highway and designate the historical locations along the heritage highway. I would think they would have to be put together.

Hon. Mr. Snow: They haven't submitted a brief to us, have they?

Mr. McGuigan: I think they did several years ago.

Hon. Mr. Snow: I haven't heard from them.

Mr. McGuigan: Would you be willing to talk to them?

Hon. Mr. Snow: Sure, we would be glad to. If they have a brief, we would be glad to look at it. You say they want it restricted to cars only.

Mr. McGuigan: I don't think I could support that.

Hon. Mr. Snow: I don't think you would want that. That's a major route through all that major agricultural area. Where are the trucks going to go if—

Mr. McGuigan: I think it's something we could discuss.

Mr. Ruston: Tourism would be involved too.

Mr. McGuigan: As long as we have your word that you will meet with them, I'll leave it.

Hon. Mr. Snow: We will take a look at it, certainly.

Mr. McGuigan: I think that's all then.

Mr. Chairman: Mr. Young. You will restrain your remarks to vote 2603. We have gone pretty broadly afield on this other vote.

Mr. Young: Mr. Chairman, what I want to do is zero in and follow up on the work of the select committee on highway safety and keep my remarks to that particular item. I notice this morning, coming and going, we have had four members of that original select committee on highway safety sitting here, as well as the man who was responsible for the very smooth working of the committee, the very efficient clerk who was with that committee too.

There's a good deal of interest here I think, although some of the people have now moved out and they may move back. That committee worked very hard for a period of time and spent an amount of money that was fairly reasonable in proportion to some other committees. We think

we made some pretty good recommendations.

Last year the minister gave us a report of the status of the various recommendations we had made. Then at the time of the estimates, I went through that list and the minister commented on the progress that had been made to date. That's on record in Hansard. I want to do the same thing this morning to see what has happened in the intervening time as far as progress is concerned. The minister and his staff perhaps can bring us up to date on that.

As a preliminary, I want to quote the minister in his statement to the House on March 6, 1978. He said: "In discussing highway safety programs, two major issues overshadow all others. The first is the terrible suffering and loss that accidents produce. The second is the enormous scale of the highway transportation system and the necessarily limited resources with which we attempt to service it. The question of resources is particularly important at this time, but I am not discouraged. The instant application of large sums of money cannot solve our problems anyway. The measured pace of systematic development can be frustrating, but evaluating each proposed step and using resources where they will do the most good must surely lead to better results."

I think the committee felt very strongly that that kind of attitude is important because, while we made certain recommendations, we wanted very much to be sure that those recommendations were properly evaluated and that in relation to resources they might be implemented as soon as humanly possible, taking into account the demands on the budgets and all the rest of it. Even with those demands, we felt that the saving of human life, the cutting down of the accident rate and the fiscal as well as the suffering assets that would result from the implementation of these results were very important and should have very serious consideration, which I believe the department has kept in mind.

With that bit of preliminary, I would like to very quickly go through some of these recommendations. Some have been referred to other departments, to those of the Attorney General and the Solicitor General and so on. We will take up those with them if we can possibly get to those estimates at the proper time, which was difficult last year.

Perhaps I could simply raise certain questions which the ministry is very familiar with and get rather brief answers so that

we could be brought up to date without spending too much time in arguing the values of the total situation. Some legislation has been passed, and we appreciate that very much. I repeat what I said last year that I felt that the ministry has been taking our report seriously and that we have made real progress in this field. Since that time further progress has been made. I am simply going to mention these things and perhaps we can get some quick answers. On the 24-hour suspension program, which is carried out in co-operation with another department, I am wondering if we have any answers as to the progress.

Hon. Mr. Snow: I don't think very much. That's something beyond my responsibility. It was up to the Attorney General (Mr. McMurtry). Mr. Humphries, do you have anything on it?

Mr. Humphries: Mr. Chairman, there has been an interministry committee, on which Mr. Lonero of our ministry was our representative, which has been dealing with that recommendation. I am jumping the gun a bit, but there is about to be an announcement of a survey which is going to be done on the highway, testing that proposal. It is planned and will commence shortly, but the announcement hasn't been made yet.

Mr. Young: Did the RIDE program give us any indication of what the results might be? Do you know?

Mr. Humphries: Mr. Lonero, would you address that point?

Mr. Lonero: There is not yet a complete evaluation on the RIDE program, to my knowledge. When we have that it should provide some guidance for further enforcement changes of various kinds. RIDE, of course, does not involve the 24-hour suspension. We can't do that sort of thing under our current legislation. I don't think at the moment we know the plans of the Attorney General for introducing 24-hour legislation. It has been announced and is in the works, but we are not aware of the exact status.

Mr. Young: Well, we could take it up with the Attorney General in his estimates a little later.

What about the conviction date? Has there been any progress where the conviction date comes from the date of the actual offence rather than the time of the culmination of the trial?

Mr. Humphries: The change in the point system to assign or assess points based on the date of the conviction rather than the date of the offence is one of the changes

we have to make to implement the probationary driver's licence system. The proposal has been completed and it is a matter of getting final approval to the probationary driver's licence system. When that is done, then the necessary programming will be done to change the computer file to accommodate that change from date of conviction to date of offence.

Mr. Young: Have we any idea when the legislation might be finalized on the probationary licence?

Hon. Mr. Snow: The probationary licence legislation was passed last fall.

Mr. Young: Yes, the legislation was passed.

Hon. Mr. Snow: The regulations are in the process of being developed. I think they are almost final.

Mr. Humphries: They are final, they are before Management Board at this point.

Mr. Young: This spring we will have the final regulations.

Hon. Mr. Snow: That is one of the three programs we were working on last year in legislation; the pictures on the drivers' licences, the probationary drivers' licences and the reflectorized licence plates. Those were all approved, legislative-wise and policy-wise. We are proceeding with the probationary driver's licence. The regulations have been drafted and have to be approved by Management Board and the regulations committee. I hope to have that in place in the near future.

We have had to drop back on the other two programs because of funding. They are both things that cost money. The probationary driver's licence cost some money too, in recycling computers and changing things.

Mr. Philip: What would the picture on the driver's licence cost—

Hon. Mr. Snow: Pardon?

Mr. Philip: —with photographic equipment and everything?

Hon. Mr. Snow: It is the costliest of the programs. I know what you are saying and I agree. That could be added onto the cost of the licence. Instead of paying \$9 every three years to get your new licence, you could pay \$10 or \$11.

Mr. Philip: When you go for a passport you pay for your own photograph.

Hon. Mr. Snow: This is an easy argument; but again, going back to the question I answered a little while ago, all that revenue goes to the consolidated revenue fund. Even if we increase that fee we don't get

the money. I have to get the Treasurer to allocate the money to us.

[12:00]

Mr. Young: The minister is a very big and powerful man on that board; we have great faith in him.

Hon. Mr. Snow: I'm going back to Management Board—as soon as I get some other things off my platter that I've been working on—on both these programs, with proposals for increasing revenue to offset the cost of the program, so it wouldn't be any further load. It would affect overall government spending; it would increase government spending but it would increase the revenue, so it wouldn't increase the deficit, shall we say. I'm hoping to get that type of approval. But with the funds we were limited to this year in our overall ministry budget we just didn't feel we could proceed with those two programs.

Mr. Young: So that's likely postponed another year?

Hon. Mr. Snow: It may not be. I am still hopeful. I am still going to go back to the Treasurer (Mr. F. S. Miller) and to Management Board.

Mr. Young: The legislation is there. It's in the works and it's on the way, we hope. It depends on the persuasive personality of the minister at this point, and in that we'll have to rate him an "A".

Mr. Cunningham: I endorse what Mr. Young is saying on this and I said that in my comments on the occasion of the legislation. What I would like to ask at this time is this: I know since you've talked about costs here today, you're probably looking at suppliers and what not, may I ask are you going to be dealing with a Canadian company?

Hon. Mr. Snow: I would hope so, if it is possible.

Mr. Cunningham: Is that a priority decision you have made?

Hon. Mr. Snow: Several different companies have approached us with different formats and made proposals to us to use their equipment, their systems. We haven't reached the stage of making final decisions on any one of these systems.

Mr. Cunningham: It's going to be a big project, in my view. I would hope that very serious consideration would be given to it.

Hon. Mr. Snow: We have had representations from independent photographers who would like us to do it in the same way you do passport photographs. That becomes difficult, having to go and get photographed,

then get somebody to certify that it's your photograph.

What we're trying to come up with is a system whereby they come into our driver examination centre and have their photographs taken there. The photographs don't have to be certified or anything. At the same time, they would go through the vision screening test so you have an automatic check every three years on each person's vision, presuming we go to a three-year period.

We have thought of going to a five-year licence rather than a three-year one and having the picture updated every five years. That might be one way of saving some funds—or even go to six years and require a new picture every second licence renewal. These are all the mechanics we have been looking at now. It might be an American company or a Canadian company.

Mr. Larratt-Smith: Just to add to what the minister said: depending on the system you choose, you're then restricted as to the companies which can tender for the system, obviously. With the size of Ontario's population and the size of the contract that would be involved, all the firms, both Canadian and American, have indicated great interest in establishing a high amount of Ontario content.

Again, part of the difficulty is that the original expertise in this area came from the United States, where some of the more sophisticated systems are produced. If you're caught in the situation where you've chosen a process where there may be only two or three suppliers, you then have to decide: do you simply choose off the top; or how do you go through the tendering procedure? So it's a little bit complicated and will depend on the particular system that's chosen. It might be any one of four that we have costed in detail.

Mr. Cunningham: How about the experience in other provinces—was B.C. doing it?

Mr. Larratt-Smith: Yes, we've looked at British Columbia and Alberta in particular.

Mr. Cunningham: And do you have any conclusions as to what's happening there?

Mr. Larratt-Smith: Yes, I'm not sure those conclusions are totally conclusive for Ontario. The Alberta experience, in particular, I believe, is interesting, where they have switched from one system to another after going into operation.

Again, the first decision is not really with regard to a particular product, but the type of issuance; whether you're going to have an instant type of photograph that is issued

over the counter to the person who comes in, which, of course, is the most convenient from the public's point of view but which also has some real security problems in terms of the document you issue and also security over the equipment and everything else which is maintained in the field. The other type is a central issue. You can also have a two-part licence or a single-part licence. The two-part licence gives you greater ability to update information such as change of address.

Mr. B. Newman: How about tonsorial or physical changes? What would you do in a case like that, if a fellow grows a beard?

Mr. Cunningham: If the minister shaves his moustache.

Mr. Larratt-Smith: The system would include an ability to rephotograph where an individual lost his licence or whatever, but there is an inconvenience involved and a cost involved there as well. I don't see how we could require someone who grew a beard to have a photograph taken with a beard, for example, and I don't think there has been any particular consideration given to that in this or in other jurisdictions.

Hon. Mr. Snow: They don't even do that for passports.

Mr. Young: Better driver education, again, is a matter which is a slow process because of the changes that have to take place and the development. We're looking to the study in Georgia, for example, and other things like that; the matter of the community colleges and their willingness to give courses in this field. Perhaps there are some comments there.

Hon. Mr. Snow: Mr. Young, I know how interested you are in this, and so am I. It's one of our very active programs. We distributed the white paper, or discussion paper, whatever you wish to call it, last September. I intended to get it out last June but it ended up being about September before we distributed it. We sent out about 3,500 or 4,000 copies. We asked for comments and feedback by the end of the year.

We have been assessing all the comments and looking into all the suggestions that have come back to us, and we are proceeding with developing a policy position or final recommendation on the driver education matter. If I can get all the things tied together, my plans at this moment are to introduce a bill, a driver education act, providing for all the things we have in there. I hope to introduce that before the end of the spring session, perhaps in the middle of June or sometime.

Mr. Philip: Would you expect that would go to committee for hearings during the summer?

Hon. Mr. Snow: That's a possibility. We certainly hope to introduce it for first reading only. This regards formal hearings of any type during the summer, I think generally the recommendations come down along one line. There doesn't seem to be two great factions with two different ideas. If there is any reason to make major changes in the bill we would withdraw it and re-introduce a new one in the fall, or make amendments in committee in the fall, and hopefully have an act set up before Christmas of this year. That is my plan at this moment.

Mr. Gilbert: I might add that, quite frankly, in some ways the comments were rather disappointing. They were mainly from people who had a vested interest. We didn't get too many comments from the public in general, although we did our best to get it out to the public.

Mr. Young: I spoke to a couple of groups, driver trainers and that sort of thing, at driving schools and so on and dealt with that at that time, and I urged them to comment. Perhaps it had some results.

Mr. Gilbert: Oh, yes, from these kinds of people and the people in the schools, but we didn't get too many comments from the public at large.

Mr. Philip: Were there comments from the Ontario Safety League on this?

Mr. Gilbert: Yes.

Hon. Mr. Snow: We got quite a number of comments from many of the driving schools, from some of the boards of education and the driver ed teachers in the educational system, and from individual driving instructors.

Mr. Philip: When the bill comes into the House I trust that you will be able to table with us the comments of some of the key organizations, like the Ontario Safety League.

Hon. Mr. Snow: I am sure we can do that. The general opinion is, what I felt it would be from the beginning on the matter. The industry really wants a system of regulation, licensing and control of drivers' schools and generally wants to upgrade the industry. The private driving schools would like to see driver education completely out of the high schools because it would be more business for them. There are, as Mr. Gilbert said, some obvious vested interest points of view, but in general we feel there is good support for that type of regulation.

At a time when we are trying to cut down on red tape and regulation, it is kind of hard to come in with regulating another industry, but the industry wants it. There was no one in real support, I don't believe, of any type of self-regulation.

Mr. Young: This is the kind of thing which industry very often sees a need for and has to have in order to survive. I think this is the case here.

Hon. Mr. Snow: On the other hand, I can say right now we are not proposing to make a formal driver education course compulsory to obtain a driver's licence. Ontario is a very diverse area. You can imagine a guy in Hornepayne, or Moosonee, or some place, trying to get a driver's licence if he had to take a formal course; he might have to go 500 miles to take it.

Mr. Young: That, of course, simply means that the tests at the driver level have to be high enough so that he has to meet them.

Hon. Mr. Snow: What we are really saying is that people who are offering themselves as driving school instructors and charging money to the public are going to have to meet certain standards and give a certain professional course by qualified instructors.

Mr. Young: Has there been any indication of willingness from the community colleges to come in to help—

Hon. Mr. Snow: Yes, we have been working with them.

Mr. Young: —with the training of teachers and so on?

Hon. Mr. Snow: Hopefully, they will be offering courses for driver instructors so that the instructors will be able to take the community college course. The question is what do we do with all the instructors that are licensed now?

Mr. Young: I suppose a grandfather clause has to come in.

Hon. Mr. Snow: Yes, some kind of a grandfathering system.

Mr. Young: They can be upgraded over a period of time.

Hon. Mr. Snow: Or there could be some kind of a period of time in which they have to upgrade themselves or have to pass some kind of a test. If they pass that they are okay; but if they fail it they have got to go back and take a course. Those are some of the details we are working on right now.

Mr. Young: The passive restraint situation is one in which the committee was very interested. I am afraid there we are

coming to a bit of a dead end. I was talking to the Ottawa people a couple of weeks ago. They are evidently not recommending that Canadian cars have the passive restraints that American cars are going to get in 1981. I am not sure that there is too much enthusiasm in this ministry to push for the same kind of recommendation. I don't know, I am just asking.

Hon. Mr. Snow: I think the enthusiasm is dwindling in the United States.

Mr. Young: Yes, there is a lot of opposition there. I think as far as the transport department there is concerned, it is going ahead with it. It may not be air bags, it will likely be the automatic belts. That seems to be the direction in which they are moving there; but they are still adamant that they are going to have it, in spite of the opposition of the motor car companies, that is building up.

Hon. Mr. Snow: I think that is something that will come along, but it is not something that is going to happen immediately.

Mr. Young: Is there any indication here that we might get this, even though it may not come now? It seems incredible that the industry will gear up for this sort of thing in the United States and yet produce another run without the air bags or passive restraints for Canada. They have done this before in various things and I suppose they will again. Will there be some provision for an optional air-bag installation in the car? In other words, will they engineer Canadian cars in the same way as the United States, so that airbags at least can be optional or the passive restraints be optional?

[12:15]

Hon. Mr. Snow: I can't tell you that. The engineering and the approval of the design comes under the Canada Motor Vehicle Safety Act, which is federal legislation. We have some contact with them but—

Mr. Young: As I remember the minister said he was going to get in touch with Ottawa right away, last November, and see what he could do.

Hon. Mr. Snow: You may be interested to know that I have received an invitation from the Prime Minister of Japan to go to Tokyo this fall, and—

Mr. Young: May I offer to go in your place, Mr. Minister?

Hon. Mr. Snow: —present a paper on seatbelts.

Mr. Cunningham: I knew there'd be a reason. Now I've figured it out.

Hon. Mr. Snow: I know you offered very generously to go along and carry my passport.

Mr. Philip: At the very least you should bring the opposition critics along with you, in fairness to research and co-operation.

Mr. Cunningham: Let me know if you find Clark's bag.

Mr. B. Newman: You'll need them as interpreters.

Mr. Young: Well then, as far as the passive restraints are concerned we can expect Canadians to have some difficulty there for some time to come.

Hon. Mr. Snow: Do you have any information on the federal scene?

Mr. Humphries: No, we have not had any communication with the federal people on the airbag situation.

Mr. Young: I was talking with them about two or three weeks ago and they indicated at that time there is no indication they were going to go ahead with it. They felt that cost effectiveness entered, to the point where it wouldn't pay for us to put in the airbags or passive restraints here.

I find that incredible, because they only cost about \$112 to install, according to the American figures, and that figure will come down with mass installations. The insurance is only about \$5 for the life of the car, and only one per cent of the cars will ever need replacement. More than that, many of the insurance companies have already offered a 30 per cent discount in insurance rates, for airbag-installed or passive-restraint-installed cars, which means we'd be saving money instead of increasing it. It looks to me as if there is a little mathematical misfiguring here, because in the long run, it will save life. Even if we get seatbelts for up to 65 per cent, as we think we have them now in Ontario, that's only this province; it still leaves a third of our people out there in danger when airbags or passive restraints would save lives, at least at reasonable speeds.

Hon. Mr. Snow: It's not something we are pushing right at this moment.

Mr. Young: I know we can't push it.

Hon. Mr. Snow: It's something we are watching.

Mr. Young: Yes. I hope your representatives in the committees in Ottawa are looking at it pretty carefully though.

Hon. Mr. Snow: I certainly go along with the idea they should be an optional piece of equipment that a person can order. If you want one, order it with the car.

Mr. Philip: Why not make it a federal election issue? It would work to our advantage then, if we made it a federal election issue.

Mr. Young: Speak to Mr. Clark and see what he has to say.

Mr. Philip: We'll talk to Broadbent then.

Mr. Humphries: I might comment that the National Highway Safety Administration in Washington is having the Transportation Research Bureau put on a seminar for three days next week—Monday, Tuesday, and Wednesday—on their next five-year safety program. I have been invited to attend that so I'll get some up-to-date reading on what they are going to do with airbags in the US.

Mr. Young: That's in addition to their conference they are proposing in May on the redesign of the motor car. This is just on safety itself.

Mr. Humphries: That's right.

Mr. Philip: We should have gone there instead of to Kingston.

Mr. Cunningham: Ed Philip's got an idea. You go to Kingston and we'll go down to—where is it?

Mr. Young: Dulles Airport, in Texas.

Mr. Humphries: Dulles. In Washington.

Mr. Young: Oh, Dulles Airport in Washington.

Hon. Mr. Snow: In dealing with accident figures and highway capacity, and all the things we talk about in these estimates—I really didn't realize the extent of this until recently—if we wonder why we have traffic congestion on our highways. These are the latest figures I have received from our statistical branch on the number of registered motor vehicles in the province of Ontario: We start off in 1903 with 178 registered motor vehicles, in 1961 there were 2.2 million; in 1971, there were 3.5 million; in 1977, there were 5.1 million; in 1967, there were 2.9 million vehicles. In 10 years we have gone from 2.9 million to 5.1 million. You can see the increase just for the ministry alone in registering and keeping the files on that number of vehicles, plus trying to build the roads to accommodate them.

Everything is about the same. In 1967, there were 198,000 trailers; now there are 553,000 trailers. Trucks went up in 10 years from 370,000 in 1967 to 746,000 at present. Motorcycles went from 43,000 in 1967 to 83,000 in 1977.

Mr. Young: This is one of the big reasons the death rate is starting to creep up again, of course.

Hon. Mr. Snow: There are certainly a lot more vehicles on the road.

Mr. Young: Do we know whether that slight increase in the death rate last year was an actual increase in terms of millions of miles travelled, or is it simply due to this tremendous increase in automobiles and drivers?

Hon. Mr. Snow: The increase in 1978 over 1977 was, if we take out the pedestrians and bicyclists, very small in terms of drivers of motor cars and passengers. It was almost even. Our total figures include pedestrians.

Mr. Philip: Is that deaths or accidents?

Hon. Mr. Snow: Deaths; overall accidents are down.

Mr. Philip: Is there some indication that there is less use of seatbelts now than there was a year ago?

Hon. Mr. Snow: I don't have any figures on that. They went up and then they did drop off; now they seem to be coming back.

Mr. Philip: In Australia, initially it started off with high usage and then it dropped; I am wondering if the same pattern is occurring here.

Hon. Mr. Snow: We did have a drop after the initial few months of the legislation. I think from the last survey, and it is very difficult to tell 100 per cent, we are pretty well back up in utilization.

Mr. Young: That depends on enforcement. I understand enforcement has been a bit better lately.

Mr. Gilbert: Yes. Enforcement is being stepped up. We are discussing it with the OPP all the time and they are stepping it up. One area in which we are getting an increase is multiple passenger fatalities. It is hard to understand why.

It used to be there would be a single passenger, the driver and one passenger. Now we're getting, and I guess you've seen it in the fatality reports after the weekend, three and four people in a car. Somebody crosses over a white line and there is a collision.

Bob has had discussions with the OPP recently about this. The only thing he can come up with is inattentive driving. We're right back to the old problem again.

Mr. Young: Has alcohol increased?

Mr. Gilbert: That is a problem, too. I think inattentive driving is a cause; particularly where there is dry pavement, sun shining, everything clear. Somebody veers across the centre line right in front of another car, and there are several people killed.

Hon. Mr. Snow: I think the statistic is 85 per cent of the accidents have no apparent cause.

Mr. Young: In the judgement of the OPP, the attending officer, who is not a mechanic.

Hon. Mr. Snow: That was a terrible weekend we had about a month or three weeks ago.

Mr. Cunningham: Six in my riding alone.

Hon. Mr. Snow: A large number of fatalities occurred on that weekend. We don't have full reports, court cases and convictions and so on, but we have the preliminary indications from the OPP. You can go down that list and it was a pretty sad situation.

Several of them had crossed over the median or had crossed over into the other lane. Some of them were alcohol-involved, or at least the indication was that the driver had been drinking. I'm not trying to convict the guy before he has had his day in court, but that was the initial indication on the police report.

Mr. Young: Generally, the death toll on the highways follows the alcohol upward curve almost exactly. That is the result of studies. I suppose the more alcohol we sell and the more revenue we get from it, they more we're going to pay for it in human life and suffering. But that's only one of the factors in the total situation.

The seatbelt situation is one we've dealt with now. The truck under-rider has been spoken of before, so we don't need to touch that. You were doing a study on steerable trailers and in November you thought you might have the results before too long. Is there anything on that?

Hon. Mr. Snow: The staff were going to make a presentation to me at our policy meeting last Monday and we ran out of time. Noon hour came and I had to get downtown to another meeting. That was the last item on the agenda and it got left. I'm expecting to get to it next week.

Mr. Gilbert: If the committee had time maybe I'd have time to make the presentation.

Hon. Mr. Snow: It is something that we're moving on.

Mr. Philip: I realize that the minister obviously doesn't want the presentation before he has had a chance to see it, but would there be any way, Mr. Chairman, that we could set some time aside for it, maybe even subtracting it from estimates if need be?

Mr. Cunningham: Interested parties could come up to Downsview. How about that?

Mr. Philip: There are specific questions I think some members of our caucus want to ask on that and get on the record, because they have had some complaints from constituents. The research really is not well known and therefore they can't answer these questions. Is there any procedure under which we can do that?

Hon. Mr. Snow: I'd like to see the report. I know we've been doing the study on it and it is finished now. Am I right, Mr. Campbell?

Mr. I. C. Campbell: It is finished now.

Hon. Mr. Snow: I would have seen it last Monday—not yesterday but a week ago.

Mr. Young: Is the jackknifing study along with that, or is it separate?

Mr. I. C. Campbell: We've got both.

Hon. Mr. Snow: The anti-jackknife device study was done some time ago.

Mr. I. C. Campbell: We have done two projects. One is on anti-jackknifing, which we currently fund with the federal government. The project is finished. We are presently doing a lot of data reduction work and that will probably be finished about July. We have some movies on that.

The steerable rear axles project is finished and is waiting for our presentation to the minister. There are some movies on that too. That is the status of those two projects.

Mr. Young: The timing will not be exactly the same for both then?

Mr. I. C. Campbell: Not quite the same.

Mr. Philip: I know that Mr. Makarchuk had some very specific questions on behalf of some of his constituents on it. Unfortunately, he's tied up on another committee at the moment.

Hon. Mr. Snow: It's in the works. I haven't seen the report, but once we've had a chance to look at it I'm sure we could make the showing available to members of the committee or the critics. One thing that has been brought forward to me is the possibility of the 50-foot van. Presently our limit on a single van trailer is 45 feet. Beyond that we go to the train or the double trailer. There have been suggestions to me by the industry that they should have a 50-foot van, especially for light commodities where they need extra bulk they would get that extra five feet of length. At present, the limit is 45 feet, isn't it?

Mr. I. C. Campbell: Yes, 45 feet.

Hon. Mr. Snow: In many cases that extra length would be adequate to serve the needs of a hauler. Instead of going to the train-type operation they could stay with the same van.

Of course the people who manufacture these steerable axles on the rear bogies on the trailer will argue about that.

[12:30]

I'm not anticipating what our research is going to show, because I really don't know. Their pitch is that the 50-foot trailer will steer through traffic or on the highway as well or better, manoeuvrability-wise, than the 45-foot will without the steering. I believe in British Columbia there is some restriction now. They allow the longer trailers if they have the steerable front-rear axle.

But we will get that report and make—

Mr. Philip: Is there not some move in certain states—I believe Michigan is one—to restrict even more the routes on which the longer ones, particularly with the pups, are allowed to travel?

Hon. Mr. Snow: I don't know about Michigan; I know in—

Mr. Philip: New York has been restricting.

Hon. Mr. Snow: —Alberta they use the Red Deer highway from Calgary to Edmonton and they allow vehicles on there up to about 100 feet in length.

Mr. Young: Triples are longer than that.

Hon. Mr. Snow: They allow them just on that one section of highway, which is level and straight. It saves fuel and has certain economies, but when you start lengthening vehicles on the road it is always controversial.

Mr. Young: You mentioned earlier today the labelling of hazardous loads. I gather the big yellow volumes have not yet been enacted into legislation.

Hon. Mr. Snow: We are still waiting on the federal government regulations.

Mr. Young: There is no indication they are going to act?

Hon. Mr. Snow: I understand the bill is in the House, or was, but there is a thing called a go-around down in Ottawa right now that has delayed some of these things.

Mr. Young: There is no indication the government here will take action if this go-around goes around too long, eh?

Hon. Mr. Snow: We want to see a uniform regulation right across Canada, not a different one for each province. We are co-operating and working with the federal government on that, but it has been a long and tedious program.

Mr. Larratt-Smith: Just to add to that, the yellow volumes you are speaking of, Mr. Young, that we brought here last fall, are the draft regulations under the proposed

legislation. They are not finalized yet. They are—as was apparent by the sheer size of them—an incredibly complex document which relates a very large number of commodities to various packaging requirements and various transportation requirements, are various shipping and labelling requirements. Those are still in the process of being discussed with industry and there is at the moment a bit of a reaction on the part of industry, which is perhaps inevitable with anything that is new, to say this is going to be overly onerous.

It is our understanding the federal people are in pretty close consultation with industry at the moment in trying to get that code, which is really draft regulations, formalized. That work is proceeding independent of the legislation, but the latest date we have from them, as I recall, is the beginning of 1980 now for the completion of that code of voluminous regulations to the point where they could be put into law with some certainty as to what the impact is going to be.

Hon. Mr. Snow: I know you have maybe two minutes to go. I am sorry the critics have left. We had one of my staff here to deal specifically with the first vote. In previous years it had been a matter of considerable interest. We have Kathy Stephen, co-ordinator of women's programs for the ministry here. It is funny, this year when a very attractive young lady was here, nobody asked any questions about the duties of the women's co-ordinator in the ministry. I would just like to introduce Kathy to you, because she won't be here for the rest of the estimates. Her position is an appointment of the deputy minister. She reports directly to the deputy minister.

Mr. Young: How long do we have to go, Mr. Chairman?

Mr. Chairman: About five minutes.

Mr. Young: Five minutes more? I will get a couple of other questions in then. The Hearst tool—we talked about the rescue squads. The Simcoe one came in for quite a lot of publicity recently because of the accident up there. They have been in discussion with various people since that time. I am wondering if there is any further development of this whole matter of rescue units across the province.

Hon. Mr. Snow: We have an interministerial committee—the Ministry of Health, Solicitor General, Attorney General, MTC—that has been looking into this on a government-wide basis. Maybe someone would like to give us an update as to where we stand.

Mr. Lonero: The task force is still in business. We're in the process of analysing survey

data, which is now pretty much all in, and plotting availability of service across the province and beginning to draft the final report. We did have a meeting with the opposition critics about two and a half months ago; and met also with the Simcoe rescue squad and CAN-Rescue Incorporated, which is an offshoot of that operation. The report—at least the first draft—will be done by the middle of May.

Mr. Young: So there's progress again here.

Mr. Philip: May I ask a supplementary on it? Did I not hear the minister say in reply to my lead-off statement that he was not interested in financing rescue operations under his ministry, or words to that effect?

Hon. Mr. Snow: No, I didn't say that at all, Mr. Philip.

Mr. Philip: I thought I had heard that.

Hon. Mr. Snow: I am very sorry if you took that—

Mr. Philip: Do you see it as a responsibility of your ministry or the Solicitor General? Where do you personally stand?

Hon. Mr. Snow: That's what our task force is looking into at the present time. My personal thought is if it's decided that there should be funding, or whatever assistance might be available for such rescue squads, I think it much more appropriately lies with the Solicitor General. What the committee is going to recommend I have no idea, but that would be my personal feeling. After all, the fire marshal's office, the fire departments, the OPP, police commission, many of the people dealing with this type of operation are within the jurisdiction of that ministry.

Mr. Philip: The police are usually the first at the scene, is that not correct, in most accidents?

Hon. Mr. Snow: I would think so; other than the motorist who comes upon the accident, I would say certainly the first people at an accident normally are the police. They then summon the help that may be needed, whether it be ambulances, fire department or ourselves. As far as accidents are concerned, we get called out many times. When there's a truckload of gravel spilled in the middle of the road, or produce or something and has to be scooped up and moved to get the road open, then of course they get us out there.

Mr. Philip: Michael Cassidy came to me quite disturbed yesterday about an accident that had happened just ahead of him. Because he was tied up he went forward to see what was going on or how he could assist. He claimed that certain fire officials took a full half hour to get four kids out of a car.

I know he's getting some of the details of it and he had hoped to have it for us today for this vote. Are you definitely adamant that you will not in any way—until such time as you have made a policy decision which ministry and how it is going to be funded and so forth—provide at least some funds to the Simcoe rescue squad to at least continue their training operations? The fire department, I believe, in this case were the ones who rescued the kids; but the kids were seriously injured and it took half an hour.

In his view, as a layman, it looks as though the people who were at the scene at that time did not know how to take the kids out. He said it was quite an emotional and difficult experience for him to watch people suffering like that. Is there no way you can come up with some financing to at least have some training done? So what if there are a few firemen who know extrication and later you decide the police are responsible for it. Having that extra knowledge there is not going to hurt anybody, and it may save a life or two.

Hon. Mr. Snow: We have this task force working on it. They're going to report in the middle of May and we shall be looking at it. I know the Premier (Mr. Davis) has expressed interest and asked for a report on this matter as early as possible. We have made no provision in our estimates or in our budget for the funding of this organization.

Mr. Young: Mr. Chairman, a last question. The matter of school buses has come very much to the fore during the past year, and I think all of us are concerned about that situation. Perhaps it's not one you particularly want to take time to talk about today. Maybe it should come up at the next session, because we haven't time now.

There are other matters the report mentioned or recommended, but I don't want to take up your time with them this morning because of our time limitation. It looks to me, just from the replies we've had today, that real progress is being made. I appreciate that and I think the members of the committee appreciate that.

Perhaps things are not moving as fast as we would like to see, in our impatience, but work is being done and certainly it looks as if, a year from now when I come back again, the answers are going to be pretty good. Progress is being made; work is being done; and I hope it's going to result in a lot of lives and injuries saved over the next period of time.

Thank you, Mr. Chairman, Mr. Minister and staff for your patience during the time I have taken up. But I think it's profitable for

us to know, and to have on the record, what has been going on in this field.

Mr. Chairman: Have you one question, Mr. Philip?

Mr. Philip: There is another committee sitting, by the way, the general government committee. I know because I have obtained three cups of coffee at their expense this morning. Mr. Makarchuk is tied up. He sent down this particular problem.

He claims many of the truckers he's talked to do feel that with modern research and so forth some of the newer vehicles are safe. However, the problem seems to be with people using the wrong equipment. He sent a letter down to me which I'll read to the minister. I won't use the person's name. Perhaps you can comment on it, or some of your officials can comment on it.

It's dated March 19, 1979. It says: "Please find enclosed a picture of an accident that occurred on March 13, 1979. This accident claimed the life of a 25-year-old woman."

"As the wife of a truck driver who travels highway 2 almost every day, I'm concerned that nothing is being done about tractor trailers pulling double hookup units on highway 2 alone between Paris and Woodstock. During 1978 there were approximately nine accidents involving double hookups."

"I'm sure if you were to check the records you would find many more casualties caused by double hookups, particularly involving the company which was involved in the March 13 accident."

"I feel it is a crime that double hookups have not been banned in Ontario."

"We've had our speed dropped to 50 miles per hour on most highways. Also, the seat-belt law has been put into practice and is helping to save lives. Would it be possible to get these double hookups banned in Ontario to prevent needless accidents which occur too frequently?"

"I know if you were to take a survey among the truck drivers in Ontario, they too would vote for a banning of the double hookups using our roads and highways in Ontario."

"Please tell us what it would take to get the law brought into effect."

"I also understand that, as of April 1 or thereabouts, the state of Michigan is going to ban the use of double hookups. Pennsylvania is cracking down on double hookups, due to the number of accidents involving these types of units. And if you've ever followed a double hookup on the highway ..."

It goes on to say, "As a concerned citizen and as the wife of a truck driver, I feel something should be done."

[12:45]

Mr. Markarchuk promised to bring this particular constituent's concern to your attention and get your comments on it. Since he is tied up, I've been asked to do it.

The particular item he has is: "Michigan Woman Dies Tuesday Night On Highway About Three Kilometres West of Bishop's Gate Road. Brantford OPP Estimate Total Damage of \$90,000."

"Police reported that Conrad Sweirszez, 31, of Lancaster, New York, was driving a tractor trailer pulling a pup trailer eastbound on Highway 2 at about 8:30 p.m." It doesn't mention the name of the company here, but I imagine it would be easy enough to locate the name of the company.

She wanted the comments of your officials, and so I simply read part of her letter into the record for Mr. Makarchuk.

Hon. Mr. Snow: Mr. Wilmot would be happy to comment. He's our resident expert on matters such as this.

Mr. Humphries: Let me make a preliminary comment on the Michigan situation, which is quite different from Ontario. Michigan's double hookups on tanks are higher and shorter, so the stability situation in Michigan is different than in Ontario.

We have a continuous monitoring of those vehicle accidents. If you want to see the statistics on those trailers, I'd be prepared to give that summary to you.

Mr. Wilmot: I believe, sir, the accident to which you are referring was one between an auto hauler and a tractor trailer. This matter is still before the courts, but the information I have from our investigators, our vehicle inspectors, is there is a pretty good indication one of those vehicles was over the centre line. The auto hauler hit the right rear of the first trailer of the other vehicle, and this caused the pup to ride up and come through the cab. As you can see, it created a tremendous amount of damage to that auto hauler. It would appear at the moment it was a driver and not a vehicle fault in any way.

I'm sorry. It isn't before the courts. There will be an inquest on this, I believe.

Mr. Philip: Just by way of supplementary: Even though I think we covered it earlier, I appreciate the fact your research is ongoing. Initial indications of the research are, if I'm not mistaken, that some of the more modern equipment, the more modern trucks like this, will perhaps be a lot safer, even safer than the conventional vehicles. Is that not correct?

Mr. Wilmot: I'm not that aware of what new products the manufacturers are contemplating, sir.

Mr. Humphries: I think the first point to be made is the accident statistics for this category of vehicle are amazingly low, lower in many cases than for the equivalent semi-trailer units. We're not quite sure whether that's because the drivers are taking more care because of the longer, more complex hookup, or what.

The other point is that, as you're probably aware, there are some very significant differences in the design of those units, particularly as to whether the pup trailer is a full trailer, an A-train unit or a semi-trailer. It would appear with the development of the technology there is a definite tendency towards safer train combinations.

Mr. Philip: My understanding, from talking to the Teamsters, is that it is basically the regulated carriers who are using the pup trailers and the larger units. These people use unionized career drivers, and therefore probably the fellows who are driving these are more skilled drivers than one might get elsewhere. I don't know how one measures that.

Hon. Mr. Snow: A lot of them are used by the oil companies too.

Mr. Philip: But they have career employees, which means the same thing.

Hon. Mr. Snow: They are not regulated carriers but private carriers.

Mr. Philip: They would be the equivalent to career drivers.

Mr. Gilbert: As an industry, they reacted quite positively to this whole thing when we first started dealing with the matter.

Mr. Philip: There seems to be some indication that part of the problem is in the attachment, the hookup or whatever you want to call it. Are there any indications that some companies are not using the right hookup or that somehow the pups are not hooked up properly? What kind of information can you give us on that?

Mr. Wilmot: Mr. Philip, we recently had a case reported to us of one manufacturer who was turning out a product which in the view of the purchaser wasn't as safe as it could be. We made representation to that trailer manufacturer and the company very quickly agreed to change the design of the locking mechanism to make it much safer.

Mr. Philip: Is there any way a driver who is in a hurry can speed up the locking by not taking certain actions; or is it a fairly

automatic thing, where once you have it on your truck you just have to hook it up?

Mr. Wilmot: The walk-around inspection requires that the hookup be inspected. Most of these fifth-wheel arrangements have a manual keeper-bar on them that has to be closed and pinned. At three o'clock in the morning and minus 20 degrees in a snowstorm, I am sure some truck drivers sometimes either neglect or forget to do some of these things.

Mr. Philip: If he values his own life it would be in his interest at three o'clock in the morning in a snowstorm to do it. That would be the very time I would want to check it.

Mr. Wilmot: It is impossible to control all these items.

Mr. Philip: I had another question on safety.

Mr. Riddell: If I may just interject; are we going to return to this vote on Thursday evening, Mr. Chairman?

Mr. Chairman: Yes.

Mr. Riddell: I wonder if we could carry on with Mr. Philip's line of questioning at that time? I know Mr. Young brought up something on school buses. I would like to talk on vehicles for transporting mentally retarded people to workshops, many of whom are students. If we can return to the vote later, I would move that we adjourn.

Mr. Philip: Adjournment is at one o'clock, is it not?

Hon. Mr. Snow: No, it is at 12:30. We are 25 minutes past it.

Mr. Riddell: This is overtime.

Mr. Chairman: Mr. Philip, you suggested having these people, and I am just trying to arrange the time. We will be meeting on Thursday and Friday. Next Wednesday is scheduled for the Kingston trip.

Hon. Mr. Snow: Not Friday, Mr. Chairman.

Mr. Philip: We meet Tuesday evening, do we not?

Hon. Mr. Snow: We meet tomorrow night for two and a half hours. We are to have TATO and Mr. Alexander here, as I understand it, for the two and a half hours tomorrow evening.

Mr. Philip: Mr. Cunningham and I were talking about how to get five or 10 hours time into two hours. It is not fair to bring in TATO and Mr. Alexander and then not deal with them. I am wondering if there is some way you can simply restrict the amount of debate on safety.

Hon. Mr. Snow: That's the pot calling the kettle black.

Mr. Chairman: I'm not wearing a bullet-proof vest yet.

Mr. Philip: I think committees can make a decision as to how they want to use their time.

Mr. Chairman: That's up to you people.

Mr. Philip: I would say if we are bringing in TATOA we should start with TATOA at 8:30 p.m. If we are going on to safety, then we have got half an hour.

Mr. Chairman: Is that agreeable?

Mr. Riddell: I know Mr. Ruston has been sitting here wanting to get on, and then Mr. Newman; and I would like to speak briefly on another matter. You know, it is all well and good for one party to get everything off their chest but maybe the rest of us would like to get a word in.

Mr. Philip: I think that you had quite adequate time last night when one of your people spoke for an hour and a half.

Mr. Ruston: I think where we make a mistake, Mr. Chairman, if we are discussing our procedure—and I wasn't aware of this and haven't been a member of the committee—but in the allocation of the time of the estimates apparently five hours was taken off the time for the estimates of highways to deal with a matter that was turned over to this committee by the House. I think we were actually wrong in allocating that time from the estimates, because that was the Highway Transport Board referred to a committee by the House, so the time allocated to it should have come out of some neutral time and not out of the estimates. However, I guess that was agreed to, so I don't think there is anything we can do about it now.

Hon. Mr. Snow: We have tomorrow evening, two and a half hours. We have two and a half hours on Tuesday evening and then we go to Kingston on Wednesday, which the committee has requested.

Mr. Philip: On the point that Mr. Ruston has raised, I think that it was done, by his critic and by me as the NDP critic, out of some consideration for the minister and his time schedule, out of some concern that we were spending a lot of time on the inquiry, and because of the fact that the estimates were coming right after we had had estimates anyway. So we allowed five hours to be taken.

If you have objections to that, I suggest that you should have brought them to Mr. Cunningham, because he and I thought that we were being agreeable to the committee.

We didn't want to take five hours off our estimates, but we proposed it as a concession to the committee. I suppose if you disagree with the stand taken by your critic all I can say is that probably there are one or two of my caucus members who are upset with the decision I took as well. But we took it, knowing the very heavy scheduling of this committee and knowing that we had just been through estimates only a few months ago.

Mr. Ruston: We went through estimates, that's right, only seven months ago; but you will recall at that time that we passed over \$700 million in a half hour because we had taken 15 hours with the Ontario Highway Transport Board. So, you haven't got much to stand on, but I won't carry it any further. We will get done what we can.

Mr. Philip: The movement of goods is certainly an important economic consideration.

Mr. Chairman: Mr. Philip, to compromise here we could allow an hour on this and have these officials come in at 9 o'clock. Would that be fair?

Mr. Philip: No, I don't think you are going to deal with the transport board in three quarters of an hour, that's silly—

Mr. Chairman: No, no; we would have an hour and a half.

Hon. Mr. Snow: Then we have TATOA.

Mr. Chairman: That's right, I think perhaps you had better—

Mr. Philip: Well maybe what you should do then is invite TATOA to come on Tuesday night.

Mr. Chairman: That is what I think.

Mr. Philip: But can we restrict the length of time or set a time when the transport board will appear tomorrow night, a time at which you will cut off debate?

Mr. Chairman: I have no way of knowing when an individual wants to speak how much time he is going to take, and he is at liberty to ask what he wants.

Hon. Mr. Snow: Mr. Chairman, I will ask Mr. Alexander to be here at 8 o'clock tomorrow evening; so he will be here to be available to the committee any time, whenever you decide to complete the safety matters and switch to the board. Is that satisfactory?

Mr. Ruston: Yes.

Hon. Mr. Snow: And we will ask TATOA, then, not to come until Tuesday night.

Mr. Chairman: Yes.

The committee adjourned at 12:59 p.m.

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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Transportation and Communications



Third Session, 31st Parliament

Thursday, April 19, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, APRIL 19, 1979

The committee met at 8 p.m.

Mr. Chairman: I see a quorum. The meeting will now begin.

Ms. Bryden: Mr. Chairman, I would like to move a procedural motion in this committee. We have not yet completed the estimates of the Ministry of Transportation and Communications. It looks as if it'll be around May 1 when these will be completed. I think it would be advisable for the committee to plan the next two sittings on the continuation of the hearings on the environmental subjects that we dealt with in February, that is the draft reports that still have to be considered. I would like to move that the sittings of Wednesday, May 2, and of Thursday, May 3, be devoted to consideration of the draft reports on the environmental matters that we dealt with in February.

I have spoken to Mr. Gaunt, who is the other environment critic. He is available on and agreeable to those two days to substitute back on to this committee. I have also spoken to the members of our caucus who are no longer on this committee but would like to substitute back. I don't know whether other parties would want to check on that, but Mr. Gaunt has probably checked with his party.

I'd like to move that those two sittings be devoted to the environmental hearings before we go on to further estimates.

Mr. Chairman: Do you mean a week from this coming Wednesday and Thursday?

Ms. Bryden: Yes.

Motion agreed to.

Mr. Philip: It's understood, Mr. Chairman, that we may still require some subcommittee working to draft a report on our inquiry into the actions of the former chairman of the Ontario Highway Transport Board and what went on under his jurisdiction. Is that correct?

Mr. Chairman: Not in dealing with this. This is the environmental report.

Mr. Philip: It's understood though that when we are scheduling this, at that time we may still have a subcommittee working simultaneously with the other sittings to draft a report for the committee.

Mr. Cunningham: That's no problem.

Mr. Chairman: Yes, if it's agreed to. I understand you have five hours and that will be taken up before then.

Mr. Philip: I think what was understood was that we would have five hours; that we were willing to give up five hours of estimates to deal with matters that were referred to us by the House. The House, of course, placed no limitation on the amount of time that we would take, and it may well be that we'll need extra time; but we can still vote, as we have for Ms. Bryden's motion, while at the same time recognizing that we may need additional time. I am suggesting that we may be able to accomplish it with a subcommittee that would meet at the same time as Ms. Bryden and the people who are concerned about the environmental issues are doing that.

Mr. Chairman: I see no objection to that.

Mr. Philip: Procedurally, Mr. Chairman, I wonder if you can advise us of our scheduling for Wednesday. How many members will be going, what is our schedule, and are members of the press or others, such as research people from the various parties, invited to come along, as they were last time?

In other words, I want to know whether I can bring an extra three people along. Two people from the press have expressed some interest in coming with us to find out what is going on up there, and one member of our research department has expressed some interest. I am sure that meets with the minister's approval. Do we have a bus that is going up?

Mr. Chairman: The minister will answer about the arrangements.

Hon. Mr. Snow: I don't know the exact details, but I am sure by now there is a bus laid on to leave here at 8:30 on Wednesday morning. I will not be able to go on the bus; I have two important matters I have to deal with at cabinet. But I will join you about noon hour, as I had to do last year.

Mr. Philip: Very specifically, one member from our research department has expressed interest, and a couple of people from Bus and Truck Transport magazine have expressed interest. I am sure these three people will be welcome on the bus.

Hon. Mr. Snow: There'll be a lot of room on the bus for anybody who wants to go.

Mr. Philip: Fine.

Hon. Mr. Snow: If the Lieutenant Governor wants to come along with us, she's quite welcome.

Mr. Philip: She hasn't asked me but, if she had, I would have consulted with you.

Mr. Chairman: That's at 8:30; not nine o'clock, 8:30.

Mr. Philip: Eight-thirty on Wednesday morning.

Mr. Riddell: If I miss the bus, can I fly up with you?

Hon. Mr. Snow: Yes.

Mr. B. Newman: In that one-seater airplane.

Hon. Mr. Snow: I remember when I was on the select committee, every time I went flying I took one Liberal member and one NDP member with me. Pat Lawlor said, "You're making sure that if we don't get back we're not going to change the standings in the House."

Mr. B. Newman: You weren't being fair then; there should've been two of you.

Mr. Chairman: Since you are inviting extra people to go, I understand that is open to all parties.

Hon. Mr. Snow: Right.

Mr. Chairman: I would ask you on Tuesday to give me the numbers that you expect to go, because I understand they'll have to make arrangements for lunch, Eric, or whoever it is, for yours, and then—

Mr. Cunningham: Bring on those Danish sandwiches again; they were really good.

An hon. member: You liked those.

Mr. Cunningham: They were just great. It's the only reason we are going back.

Hon. Mr. Snow: We've asked Joe to send a shipment three days ahead of time, so they'll be—

Mr. Cunningham: These were not Joe Dineley's.

Mr. Philip: I am sorry; I don't want to prolong things, but there is another matter. One of the witnesses we asked to appear next week, who happens to be in the audience at the moment, has a problem concerning scheduling because he is in court next week. My feeling is that we couldn't conduct our inquiry tonight, because the original members of this committee who were conducting the inquiry were not notified. But I informed him that at least I

would bring the matter to the committee's attention; if members of the committee feel otherwise, then it's up to them to indicate. Maybe Mr. Cunningham has some views on that.

Mr. Cunningham: I didn't require that we hear any more; I heard enough a couple of months ago. My preference would be that we set a schedule some time in the future, whether it's three weeks from now, a month from now, or whenever. Mr. Philip made the motion and suggested that certain individuals come before us and we can finish this thing off. I am in your hands.

[8:15]

I've got a couple of questions too, but I don't think it's appropriate to proceed tonight. As Mr. Philip was the individual who requested it, I think we should respect his views.

Mr. Philip: If Mr. Sommerville can't make it in the five hours we've set aside, then we could possibly try to find time when the committee could meet with him and schedule it so that he wouldn't have to let down his clients and the witnesses he has scheduled. Perhaps if the clerk would contact Mr. Sommerville and find out when he would be free to appear before the committee, hopefully within the next three weeks, then we can accommodate both purposes.

Mr. Chairman: I'm quite agreeable to that if the committee is satisfied.

Mr. Cunningham: That's fine by me.

ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS (continued)

On vote 2603, safety and regulation program:

Mr. Ruston: I do have one thing with regard to licensing, namely the leasing of a small bus. The mentally retarded association in our area didn't have enough money to buy a vehicle so they leased a vehicle. After they leased it, they found they couldn't get a public vehicle licence for it. I must admit I'm not too familiar with this. It's for the transportation of the handicapped. They leased a vehicle and then found they could not get a public vehicle licence for it.

Hon. Mr. Snow: Why would they need a public vehicle licence?

Mr. Ruston: That's an interesting point, but apparently they felt they did. I had a telephone call from them.

Hon. Mr. Snow: The only reason they would need a public vehicle licence, if they

were leasing a bus, is if they were going to do for-hire services with that bus.

Mr. Ruston: That was my understanding. It's the same with a truck, isn't it, if you're using it for your own purposes?

Hon. Mr. Snow: If the mentally retarded children's association wishes to operate a bus—I presume it is what we call a van—for its own use in transporting children for the association, whether it owns or leases the vehicle, as long as the association supplies the driver and is in charge and is not charging another organization for its services, then it doesn't need a public vehicle licence.

Mr. B. Newman: They could charge a fee to the parents, could they not, or indirectly the parents would be paying for it anyway?

Mr. Ruston: I don't think any of these were operated that way. I must not have enough information on it, but that was the call we got from them. I will check back on that.

Hon. Mr. Snow: From what you tell me and from what I understand about most of those types of operations, they wouldn't need a PV licence. A contractor who owns buses and contracts his services to the school board for so much a mile or so much an hour or whatever it may be needs a PV licence to operate a bus service or if he is operating a charter service or a scheduled service. If you're just leasing a bus for your own use, it's just like leasing a truck rather than buying one. If you drive it yourself and haul your own goods, you don't need a PCV licence.

Mr. Ruston: That was my understanding too, and I couldn't figure out why they had that problem.

In the requirements for safety for gravel trucks or any hook-up truck of that type, as I understand it they're inspected every six months.

Hon. Mr. Snow: It's every six months for dump vehicles.

Mr. Ruston: How about a car carrier? Apparently, they're a regular semi, so there wouldn't be any special certification on them except for a spot check or whatever the case might be. I have had two or three people who have driven car transports and also dump vehicles and find there is quite a discrepancy. They seem to feel the car transports, though of course they don't carry the heavy load many trucks carry, we realize this, but some of them inform me they felt the specifications were not strict enough for auto carriers. They felt many of them were on the road in rather poor condition. Is the only way you would check on them strictly on a spot check basis?

Hon. Mr. Snow: They would be checked at the truck inspection stations along the highway as they proceed through. They don't have to have a specific inspection certificate as do the dump trucks. I don't think anyone has more auto carriers in their home community or riding than I do, and I haven't had any complaints about it.

Mr. Ruston: Well, we have had a number.

Mr. Gilbert: I don't think we have found that, Mr. Wilmot?

Mr. Wilmot: We don't have any specific experience that jumps out at you with respect to these vehicles.

Hon. Mr. Snow: There are several large auto hauling people in Oakville, and I certainly haven't had anything brought to my attention.

Mr. Ruston: Some of these people who have brought it to my attention are also business partners or something in a gravel truck hauling company. Some of the family or relatives drive auto haulaways and they felt there was quite a difference between the safety requirements of a dump truck and those used for auto haulaway. That was their opinion anyway.

I think I did have one more thing, Mr. Chairman, about the matter of safety and the way cars are built and so forth. We discussed, on the last day of estimates, the fact the accidents now are levelling up to what they were. Deaths and injuries had decreased considerably in the last few years and now they are starting to level off at more or less a higher rate again. The interesting part of this—and I have been following some of the reports in newspapers and different magazines—involves the trend to smaller cars. They are finding in some of these cases that with large cars still on the road and so many smaller cars being built because of the necessity of increasing the gas mileage, the combination of the two sizes of cars alone has a tendency to increase the injury or the death toll to people in small cars. Here are the titles of two of the articles: "Small Cars May Save Fuel But Not Lives, Study Shows," and, "Small Cars Are Bigger Risks, Say Two Insurance Studies." They admit in their studies that by 1995 we will outgrow that because all the big cars will be off the road and everybody will be driving small cars so we won't have to worry about it.

I see it especially when I travel on highway 401. I think it was two weeks ago, or after the big storm we had, I was driving back on Monday or whatever day it was, and I counted the cars on the side of the

road, or over into the median. The road was clear and the driving was good, and there were 28 cars on the side of the road and 27 of them were small cars weighing less than 3,000 pounds. The night before, of course, the highway was in very bad condition.

Hon. Mr. Snow: Did you stop and individually weigh some of these cars?

Mr. Ruston: I can tell by the looks of the car, Jim. If you'd owned and bought and sold as many cars as I've owned and bought and sold, you would probably understand it too.

Mr. B. Newman: Are you a car dealer?

Mr. Ruston: No, I'm not a car dealer, I'm just a car fan. Of course, I've had some pretty close friends who were driving little cars when trucks came across the median—I guess even if you're in a big car it wouldn't help you much—and have been killed. That's what really worries me on 401; the number of trucks that go across the median and are hitting cars head on.

Hon. Mr. Snow: There are a number of cars that go across the median and hit the trucks, too.

Mr. Ruston: But you're not hurt in a truck.

Hon. Mr. Snow: It sure hurts the car. It doesn't matter which side of the road it's on.

Mr. Ruston: That's right. That is going back to when we laid out the highway, of course, and in some areas, as you are well aware, on this side of London to Woodstock, the median is only about 30 feet wide. In the last few years we put in some posts with three cables on them. We have lots of shoulder but not much median and that's part of the problem.

What really is a concern to me—and it's the most dangerous part of highway 401—is the trucks coming across the median. I don't worry about anybody going in the same direction as I am, but if you drive it all the time that's got to be the worst thing on the highway, the problem of vehicles coming across the median. It's generally in bad weather, we realize that, when the road conditions are far from perfect. How do you keep people off the road unless you close the highway? That's pretty difficult at times. That's really my main concern, cars going across the median. It's a terrible situation and I admit I haven't got the solution to it.

Hon. Mr. Snow: I don't have the solution either. I don't know whether you were here

yesterday afternoon when we were discussing one of the worst weekends we have had for accidents, about three or four weeks ago. There was a large number of accidents that one weekend. I saw the preliminary reports, and there was no snow storm; there was nothing to say the reason for it. A large number of deaths were caused by people crossing the centre line.

Mr. Ruston: It's too bad we couldn't figure out some method. As you say, we discussed this a year ago, the problem with the snow removal, that you can't put bumpers or something down so that when the car goes over that it immediately awakens you to the fact that you're crossing the line. I wish someone could invent something that was built within the confines of the present road that you could put on that line in a two-lane highway where the minute your tire hits it you're alerted.

Hon. Mr. Snow: There is a new reflectorized bump thing that has been developed and that we've just received literature on, and I think we're doing some research on that. It's supposed to be a snowplough-proof type of thing. I don't know whether it will prove out for our conditions, but I know I received literature on it within the last two or three months and I sent it up to my people to look at it.

Mr. Ruston: Somebody must be working on it, and that's a great thing. That's all.

Hon. Mr. Snow: They have one that has a spring underneath it and the part that sticks up will depress when you go over it but it still clicks. I don't know whether it will prove satisfactory or not, but it may be very, very expensive, too.

Mr. B. Newman: I wanted to raise a few issues that disturb me a bit, and one is the rear bumper on cars. You'll find that today's jet set will jack up the back end of a car, put all types of spring assists in and you will find that probably a foot above the—

Hon. Mr. Snow: I saw one today after the question period, when I was walking back to my office from the main building. It was parked along the south side of Wellesley Street. It was a real hot-rod type of thing with lines painted all over it and so on. The back bumper was a foot higher above the street.

Mr. B. Newman: Cannot the individual be ticketed for that?

[8:30]

Hon. Mr. Snow: I don't believe at this moment we have any law against it, but it is

something that is of concern to me and it is a modification to a standard vehicle.

Mr. B. Newman: Yes. If you ever were following a car and had to jam on your brakes you could probably stop, but if you couldn't you would go right under and you'd practically decapitate—

Hon. Mr. Snow: The tendency is when you put on your brakes your front end goes down.

Mr. B. Newman: Right, yes.

Hon. Mr. Snow: That's what happens with a normal car. I know my daughter ran into one of those things, I am sorry to say, a couple of years ago at a stoplight. She put on the brakes, her front end went down, the guy ahead put on his brakes—it was one of those chain reactions; his front end came up and she went underneath. Unfortunately we had a nice bill to pay.

Mr. B. Newman: Is there any concern in the ministry or desire to mandate bumper heights?

Hon. Mr. Snow: We really don't have the authority to legislate the design of vehicles. That is under the Canada Motor Vehicles Safety Act, which is federal legislation.

Mr. B. Newman: You couldn't convince the manufacturer? But then the individual is going to play with his own car.

Hon. Mr. Snow: These aren't manufactured; these are modified vehicles.

Mr. Ruston: Couldn't you introduce provincial legislation? You accept the manufacturers' design as being satisfactory, but you could make special legislation that when a car has been altered from the original style—I would think the province would have jurisdiction there.

Hon. Mr. Snow: I don't know.

Mr. Ruston: I am not a lawyer, but I think you would have.

Mr. Philip: Do you not charge them if they take off the anti-pollution devices? This is an alteration to the car, involving standards set by the federal government.

Mr. Larratt-Smith: Yes, the province does have jurisdiction over all aftermarket equipment, once the vehicle has been sold. The new vehicle is the federal responsibility, but the aftermarket equipment and in-use maintenance and modification is within our jurisdiction.

Some work was done several years ago on this specific problem Mr. Newman was raising, in conjunction with the police. They had expressed a concern to us about it from their observations on the highway of the same thing. The rather extensive work that was

done was inconclusive primarily because it was difficult to get any objective standard as to when a modification might make a vehicle more safe and when it began to become unsafe. It is our understanding that a number of other jurisdictions in North America have attempted to tackle the same problem and no one has come up with an objective standard to determine precisely when the vehicle becomes less safe.

The other thing is that the statistics related to such vehicles are very inconclusive as well. It would appear, for example, that accident involvement by that sort of vehicle bears more relationship to the sort of driver you get driving them—the kid who is driving the hot-rod, if you like—than to the design characteristics of the vehicle. So that study at that time, which we could certainly dust off, came to the conclusion that some sort of special additional regulation was not warranted.

Mr. B. Newman: Another thing, Mr. Minister, that does disturb me is when they put on that ball-socket attachment to the back end of a car when they are going to tow a trailer.

Hon. Mr. Snow: It's called a trailer hitch.

Mr. B. Newman: Yes. The car may be parked and who, walking between cars, expects to find this big gizmo sticking out about six or eight inches? And you know just where it hits you. I'm not saying you should be walking with your eyes closed. But you run into a situation like this and I know, as the gentleman mentioned previously, there may be no statistics to indicate that it is the hazard I make it out, but—

Hon. Mr. Snow: How many nylons get runs in them?

Mr. B. Newman: It may be that I am the only one concerned about that, but I know, having hit one of these with my shin several times—

Hon. Mr. Snow: You would think after you did that once, Bernie—

Mr. Philip: That's the front end of Ed's mobile action centre. Isn't democracy wonderful?

Mr. B. Newman: I would like the ministry officials to look into that. Maybe some jurisdiction has an answer for it. If they do have an answer I would think that you, Mr. Minister, would be glad to take that answer and implement it, if it is possible, in this province.

One of the things the bus company in my community was confronted with was the use of low-speed tires in intercity driving. I'm speaking of tires that are safe for 35 miles an hour. Mind you, once this was brought to their attention they took care of that. Is there

no inspection on the part of the ministry to see that bus companies do not use low-speed tires on highway driving or highway travelling?

Hon. Mr. Snow: We are just in the process of implementing at the present time our new bus inspection program. I do recognize there are different standards for intercity tires and for transit-type tires. They design a different tire because of the different heat buildup and so on. I don't know how really, Bernie, you could expect the ministry to inspect every bus.

Mr. B. Newman: I don't necessarily mean that you should inspect every bus.

Hon. Mr. Snow: We are implementing a mechanical fitness inspection program for all buses in the province, whether they are Greyhound or Gray Coach or Windsor Transit, or whatever. What is it? September 1?

Mr. Wilmot: Our plans are, sir, that it will be mandatory that they show evidence of inspection by October 31.

Hon. Mr. Snow: October 31. We had an earlier date in mind when we started on the setting up of this program. I think it was June 1. But in consultation with the transit systems and the bus industry they asked us for more time to phase in and do all these inspections—in other words, just like we did with the school buses, to give them a little more time to phase in.

Mr. B. Newman: So it will be the responsibility of the transit company to come along and certify that their buses are equipped with safe tires and other miscellaneous devices that you may mandate?

Hon. Mr. Snow: Different types of tires are used for different services. It is not too often that a normal transit bus used for service within the transit area is used on a highway trip. There are numerous municipal transit operators who have coaches they use for highway use—for charters and so on—but they are normally a different type of coach with a higher speed transmission and all sorts of different things.

Mr. B. Newman: Do you have legislation or regulations that control the use of bald tires? The state of Michigan, I understand, does have legislation like that.

Hon. Mr. Snow: This is one of the things in the inspection program that we are implementing. I know there have been presentations made to us on the retreading of transit vehicles tires. Our specifications call for a certain tread depth, but there is a new system in which they put this very heavy tread on a tire and then, as the tread wears off, they regroove them.

Charlie, do you want to fill us in on that?

Mr. Wilmot: The term "bald tires," sir, may be a common expression but the bus industry refers to these as "slicks." They will retread or cap an existing tire with what appears to be a smooth coat of rubber. What they do is an operation called siping, which puts a thin slit in that. Our requirements will be that they must have at least 3/32nds of an inch of either tread or siping. Siping has proven to be, in city service, as effective as the tread.

Hon. Mr. Snow: You know, Mr. Newman, baldness isn't necessarily a sign of inadequacy. I mean look at our chairman.

Mr. B. Newman: Ossie, will you kick him under the desk? You can't have hair and brains, Eddie.

Hon. Mr. Snow: This is my fourth set of estimates for MTC. Another couple and I will have none left, either.

Mr. B. Newman: Did the minister's officials look into the state of Michigan's legislation concerning the amount of rubber on tires? For example, did it say it bans the sale and use of tires on which part of the belting material, tire cord or plies is exposed; where there is evidence of cord or tread separation; and, if the tread is worn below 1/16th of an inch? Michigan also has other minimum depths and so forth. To me, it sounds good.

Hon. Mr. Snow: Mr. Wilmot says those are in our standards now and I think he just said our minimum is 3/16ths.

Mr. B. Newman: No.

Mr. Wilmot: I'm sorry, sir, 2/32nds, which is 1/16th.

Mr. B. Newman: That may be all right, but still I would suggest you look at the Michigan legislation. Maybe there's more to it than what I'm reading. I'm only reading an article from the state capital of Lansing and it isn't an up-to-date article at all. But I would think that since the automobile was actually born in Michigan, they would have a lot of ideas there yet.

Hon. Mr. Snow: You keep a close eye on what happens in Michigan and you keep advising us all the time.

Mr. B. Newman: Now that you bring it up I'd like to draw your attention to the transportation of a dangerous cargo that took place, on June 1, I think it was—a cargo that left the Palisades nuclear plant in South Haven, Michigan, carrying radioactive materials. It carried that on Michigan highways to Detroit, as far as the Ambassador Bridge. From that point on, there is no record of it

at all. Have any of your officials tried to trace this?

Hon. Mr. Snow: Well, Mr. Chairman, we discussed this yesterday, if you'll recall. I explained that the transportation of radioactive materials within Canada is totally under the jurisdiction of Atomic Energy Control Board which sets standards and requirements for the transportation of this material within Canada.

Mr. B. Newman: I had that checked out and I was told that these are matters for the Ontario Highway Transport Board.

Hon. Mr. Snow: Negative. Absolutely no way.

Mr. B. Newman: All I can tell you is this. I found that out from Ottawa on February 26 at 4:53 p.m.

Hon. Mr. Snow: The only responsibility the board has is the licensing of vehicles as licensed carriers or hired carriers within Ontario.

Mr. B. Newman: All right, let's assume that you're right for a minute. Are you not concerned that the hazardous cargo I mentioned is on our highways—radioactive cargo? And wouldn't you try to trace it?

Hon. Mr. Snow: I'm concerned about any hazardous materials on our highways. But I have to tell you that many years ago the federal government passed legislation taking total responsibility away from the provinces for atomic and radioactive materials.

Mr. B. Newman: I'll grant you that and I'll assume you are right and maybe you are right. But are you not concerned that this has happened and that you should know about it; and you should try to find out just how that cargo was admitted into Canada, if it was admitted; and whether or not it went along Ontario highways to Buffalo, as it is supposed to have done?

Hon. Mr. Snow: As I say, we discussed all this the other day. But it is our understanding that Atomic Energy Control Board as to be advised of any movement of nuclear materials within the province. Its contact within the Ontario jurisdiction is with the Ministry of Labour; they notify the Ministry of Labour of any movement of nuclear materials. Whoever told you that the Ontario Highway Transport Board is responsible is totally wrong. The board is responsible for licensing for-hire carriage, or the issuing of certificates recommending the licensing of for-hire carriage which is then

Mr. B. Newman: I'll leave that. Maybe some other year, God willing, I will come back to it with more information on it because I'm not going to give up on this. I think there is some responsibility on your ministry or your officials to find out just exactly whether radioactive material was being carried on our highways without your knowledge. If it has happened once, how many other times may our highways have been used for that same type or maybe for even more serious and more dangerous purposes? Your officials didn't even know of it occurring once.

Mr. Philip: You do have some authority under the Public Commercial Vehicles Act. You have at least some guarantees that the operator has come under the scrutiny of the board, that he has some financial stability, that he's a professional in the business, that he's proven that there's a necessity to carry that product and that he at least has proven to the transport board that he is capable of carrying that product. I submit to you that if Bill 78 had been passed, deregulating the carriage of waste products, that at least in that particular area there would have been a danger on our highways. In a very real sense, you probably have more influence than certain other ministries and certain federal people who seem to be a lot less capable. I don't mean to be complimenting the transport board—

Hon. Mr. Snow: You wouldn't want to do that.

Mr. Philip: —but I think the others are a lot less capable. The transport board has been looking at the stability of the carriers in this.

Hon. Mr. Snow: Yes, but with all due respect, Mr. Philip, the transport board may license a carrier to have authority to carry products over a given route. The transport board licence doesn't say he can carry nuts but he can't carry bolts.

Mr. Philip: It all depends on what licence he's got.

Hon. Mr. Snow: It depends on what licence he has. He can have a certain restricted licence.

Mr. Philip: If you had deregulated it, you could have had somebody carrying food products in one load and pesticides in the other, or waste products in one and food products as a back haul.

Hon. Mr. Snow: That's very possible for a licensed carrier too. That doesn't mean you have anything to do with deregulation.

Mr. Philip: Except that the licensed carrier at least has proven that he's able to secure the support of certain shippers whose vested interest is getting that product to their market in an unpolluted and safe manner. I think that that's a very real safeguard.

Hon. Mr. Snow: No, I don't agree with you on that the licence of the Ontario Highway Transport Board goes to that degree.

Mr. B. Newman: I won't carry on with that. I hope that your officials, either indirectly or even without you knowing, try to check on the licence to see if there is some solution.

Hon. Mr. Snow: As I explained last year in our estimates and again yesterday, the federal government with the co-operation of CCMVA, the Canadian Conference of Motor Vehicle Administrators, which is made up of the ministers responsible for motor vehicle regulation in all 10 provinces and the two territories, have been working for some years now on a new set of regulations governing the transportation of dangerous goods.

We have the draft regulations. Last year, if you remember, in the estimates we had a copy here of volumes that high. We have been pressing the federal government for the last four years since I've been minister to bring forward the legislation to implement these regulations. That legislation, I believe, was on the order paper prior to the issuing of the election writ in Ottawa a few weeks ago. Hopefully, it will be brought back as a priority item. It will be, I'm sure, depending on the results of the election.

Mr. B. Newman: You're pessimistic, aren't you?

Hon. Mr. Snow: We hope to get a standard regulation at the federal level, which all provinces are supporting, so that we have a standard regulation for the carrying of these dangerous commodities right across Canada. I don't think it would be appropriate for each individual province and the two territories to have 12 different sets of regulations for the industry to deal with. That is why we have been working very closely with the federal Department of Transport and supporting them in getting these regulations into force. I amended, I guess, the Highway Traffic Act.

Mr. B. Newman: Two years ago, I'm sure.

Hon. Mr. Snow: Two years ago. I brought amendments into the House, which you passed to provide for us to adopt the federal regulation for the transportation of dangerous goods. Two years ago we made that change, so immediately that regulation is

available we can adopt the federal regulation by order in council. We are still waiting on the federal regulation.

Mr. B. Newman: I am awfully pleased you are so speedy, Mr. Minister. I wish you could be speedy on the item I raised and check it out to find out whether there is truth to this in the first place. I think it is true and I read that there were 328 different accidents involving radioactive and dangerous material on the highways in the US last year. I'd hate like the dickens to see that happen on one of our highways because of fighting between Ottawa and Ontario as to who is to blame.

Hon. Mr. Snow: We are not fighting at all. That's one thing we are not fighting over.

Mr. B. Newman: Well, then you are not fighting. It certainly isn't co-operation on one or the other parts. I am not going to try to lay blame on you, but I think a thing like this is extremely serious, Mr. Minister, and to me it is serious enough to take the time for one member of your staff to follow up on this. I'm not going to pay-long-distance calls to check on all of this even though I will check in another fashion.

I'll raise another issue, if I may, Mr. Chairman. Is there no danger to the mixing of tires? On the regular passenger car, the party will have steel-belted radials in the back and when the tires wear thin, they buy a different type not a set of tires, but only two tires. Is there no hazard at all as far as the control of the vehicle is concerned by the mixing, either in pairs or individual different tires?

Mr. Wilmot: I am sure there is some loss of handling if you mix normal tires with radials, but so long as you keep to radials or normal bias-ply, my mechanics tell me there isn't any great danger.

Mr. B. Newman: Should the public not be informed of that?

Mr. Wilmot: I think, sir, if you go into any reputable tire store and tell him you are going to try and mix tires, you'll find very quickly they would give you some pretty good advice on it.

Mr. B. Newman: I don't know because when I changed, I changed all four tires. The last question I want to ask of you, Mr. Minister, is how are you getting along with the drivers' vehicle licence plates—the idea of putting them out on birthdays?

Hon. Mr. Snow: Again, I covered all that with—

Mr. B. Newman: Don't bother repeating it, Mr. Minister.

Hon. Mr. Snow: —with Mr. Young.

Mr. B. Newman: Mr. Young.

Hon. Mr. Snow: Check Hansard, last Wednesday.

Mr. B. Newman: I'll read Hansard.

Hon. Mr. Snow: If you'll check Wednesday's Hansard, if you want to save time tonight, it is all there.

Mr. B. Newman: I'll do so. Thank you, Mr. Minister.

Mr. Riddell: Mr. Chairman, just in case you were offended by the reference that was made to your balding condition, might I just remind you that—at least I was told—that the good Lord made only a few perfect heads and the rest he put hair on. So when they make reference to my somewhat balding condition, I just—

Mr. Chairman: That is good.

Mr. Riddell: Right. Mr. Minister, as you know through the correspondence which I have had with you on numerous occasions, I have a very great concern for the safe transportation of handicapped people. I am thinking now of mentally handicapped people, whether they be 16 years of age or 25 years of age, who are being transported to and from schools and workshops.

I know when the school bus came into being, the Highway Traffic Act provided for certain safety features such as the red flashing lights on the front and back, the chrome yellow colour on the buses, and the sign at the back saying, "Do not pass when lights are flashing." It has only been recently that vehicles have been put on the road to transport these mentally retarded people to and from schools and workshops. There have been a number of accidents, and I have written to you about this. I have asked if you would not consider allowing such vehicles to adopt the same colours as the school buses, to be able to put flashing lights on the front and the back, and to be able to put a sign on the back, "Do not pass when lights are flashing."

I think we have to take into consideration that because of a disability, either physical or mental, the handicapped individual requires much more guidance in mounting or leaving a vehicle than does the average non-handicapped school child. In many cases there is no room for the vehicle to pull off the road in order to pick up these mentally or physically handicapped people.

I have been keeping in close touch with not only the South Huron Association for the

Mentally Retarded but also the regional council and the Ontario Association for the Mentally Retarded. I do know that a resolution was passed unanimously by the South Huron Association for the Mentally Retarded, demanding that the Highway Traffic Act be amended to include the red flashing lights, both front and rear, the chrome yellow colour and the sign on the back saying, "Do not pass when lights are flashing," for these vehicles.

This resolution was sent to the midwestern Ontario regional council of the Ontario Association for the Mentally Retarded and passed unanimously. The resolution has now gone to the Ontario Association for the Mentally Retarded to be discussed in May, and there is no question in my mind that that resolution is going to pass unanimously and find its way into your office.

I have talked about this until I am blue in the face, and I still get the same old answer, "The Highway Traffic Act says only school buses can be painted yellow, have the flashing lights," et cetera. I think we are dealing with exactly the same kind of vehicle to transport these mentally retarded people, who cannot go to the regular schools, to the workshops where they are getting their education.

For the life of me, I can't see why you would not consider amending the Highway Traffic Act so that these vehicles can also carry the same safety features as the school buses. I would hope you would give that resolution serious consideration.

Forget about what I said. I don't want you to come in with something because I have been harping on it. But I sure as heck hope that you will give very serious consideration to this resolution, which is going to find its way to your desk, probably by the end of May. Have you given any more thought to it, Mr. Minister?

Hon. Mr. Snow: Yes, we have. It is something that is of as much concern to me as it is to you. I never realized it was a problem. Within about a half-mile radius of where I live, we have both a group home residence for mentally retarded adults—usually young adults—and an ARC workshop. In addition, there is a Sunshine School for the mentally retarded. I live here and they are just like this. They use yellow vans—maybe they are not abiding by the law 100 per cent; I never thought of that until just now—they use yellow vans for transporting their people between their residences and the workshops and the school.

I would be pleased to receive the resolution. I think the association is going about it

the right way by taking these steps. We will be looking at this beforehand; but when we receive the resolution from the Ontario association, I will certainly give it every consideration. I don't know what the legal technicalities are; it will have to go through the procedure. In dealing with these matters, you cannot just prepare a bylaw or legislation in five minutes and pass it. It has to be checked through with the interministerial committees, the Ontario Provincial Police, the Solicitor General and the Attorney General to look at all the ramifications of changing a law like this. It takes a little while, but I will certainly follow it up as soon as we receive the resolution. In fact, I will start on it right now.

[9:00]

Mr. J. Johnson: For your information, I've tabled a resolution which is to be debated next Thursday on this very point that you brought up. It's a question to the ministries involved to consider using school buses for transporting the mentally retarded, and using the flashing red lights during the loading and unloading of mentally retarded adults. There seems to be a discrepancy in the term "school children." There's one part of the act, I think it's section 120(3), that mentions "school children." When we're talking about school children are we talking about adults of 19, 20, 21?

Hon. Mr. Snow: That is one of the problems. I am sure when we get into this the legislative draftsmen in my ministry and the legislative counsel can put out words that you and I couldn't understand but which mean what we want them to.

Mr. J. Johnson: When they say school children, I think in the interpretation it's 21. We now have an age of majority for most things except drinking at 18, drinking's 19, then the 21 no longer applies. Yet for retarded children, as soon as they become 21 they're considered adults and then are not acceptable in school buses. I think when we make the one change we could consider making two or three changes that apply. Mr. Riddell, I hope that you will support my resolution next Thursday.

Mr. Riddell: I certainly will. Between the two of us we could maybe convince the minister.

Ms. Bryden: I will be very brief, Mr. Chairman. I just have a couple of questions. When I recently visited Mexico I discovered they had what seemed to me a new idea for enforcing overdue parking fines.

Hon. Mr. Snow: That's interesting. I haven't had an opportunity to visit Mexico. Is that a good reason for me to take another trip?

Ms. Bryden: Perhaps. As you know, people, who are called scofflaws here, often ignore traffic summonses and build up quite a backlog of several hundred dollars' worth of fines against them. I think the way it is enforced is that a warrant for their arrest is sworn out and some time when the police are not too busy they descend on them at 6 o'clock in the morning and take them off to the lockup and they don't get out until they pay the fine. I think they're in for five days and the amount owing goes down by a fifth each day. If you stay in five days you get out of paying the fines, but if you want to get out immediately and go back to your business you pay the full amount.

Hon. Mr. Snow: That reminds me of an article I read in the paper the other day about some fellow who evaded income tax and got fined \$100,000 or 14 days in jail, and I figured that was pretty good pay to spend time in jail.

Ms. Bryden: But this system, as I'm sure everybody can understand, is a very wasteful use of our police and of our jails. There's such a backlog that people get away for a couple of years without this descent on them at 6 o'clock in the morning, but when it does happen it's very inconvenient.

In Mexico, the rule is if you haven't paid all your parking fines you get no licence plates. It's simple and direct. What do you think of that idea, Mr. Minister?

Hon. Mr. Snow: What happens here is you lose your driver's licence.

Ms. Bryden: Not necessarily for parking fines, I don't think.

Hon. Mr. Snow: Unpaid fines, yes. The Attorney General's ministry or the courts send us notification about outstanding fines against you, or your colleague to your left, or whoever it may be.

Mr. Philip: Or against a lawsuit where you didn't carry adequate insurance and the government had to cough up.

Mr. Cunningham: Unsatisfied judgements.

Hon. Mr. Snow: That applies to moving offences where there are unpaid fines, not to parking fines. Mr. Humphries just reminds me that when the Provincial Offences Act gets through and becomes law, parking fines will be dealt with in the same way, so if there are unpaid fines, then the driver's licence is suspended against the driver.

It is my belief, and I hope that it would be yours, that the offence is by the driver,

not the vehicle. Many vehicles today are leased, and if Hertz or Avis, or whoever, have a bunch of leased vehicles and they end up getting parking tickets, and the drivers are gone some place, is it right to take those licence plates off those vehicles owned by a legitimate businessman who had nothing to do with the parking ticket?

Ms. Bryden: Well, that may be a difficulty. What I am really getting at is that we shouldn't be taking up the time of the police in enforcing fines and that there should be a direct method whereby your ministry could perhaps co-operate, either in removing the driver's licence or the plates fairly promptly, rather than allowing these two-year buildups of several hundred dollars. Also, in cases where people think they can get away with it.

Hon. Mr. Snow: We do remove the driver's licence now, but apparently not for parking tickets.

Ms. Bryden: Yes. It is the parking offences that are time consuming.

Mr. Chairman: Do you have a supplement to this, Mr. Watson?

Mr. Watson: We were talking about these speeding tickets and I just want to throw in something. There's a piece in the paper, and I also heard on the news, where in Florida they've been clocking trees doing 90 miles an hour! I would just like to pass on my observations because the first speeding ticket I ever had in my life was in Florida and I am still fuming about it. I had been going 25 miles or more with a speed-controlled car at 60 miles an hour and they caught me at 70, so I'm very interested in the fact the paper is reporting they've got trees, which of course would be standing still, that will do 90 miles an hour in Florida. I just think that if we're going to be catching these speeders it should be at the rate—

Mr. Philip: If you got caught in a Florida hurricane you would do 90 miles an hour, also.

Ms. Bryden: That's another problem. We're talking about parking fines right now.

Mr. Watson: You were talking about speeding tickets.

Ms. Bryden: Just one other point, Mr. Chairman. I am concerned, particularly as the environment critic, about the movement of hazardous substances and the fact that we're having to wait so long for the federal government to produce its model laws which we hope all 10 provinces will have. Would

it not be possible for the ministry to put in some interim measures, particularly in the fields of placarding of dangerous cargoes, so that people know them? Or do we already have that, the reporting of spills and contingency plans for dealing with spills, and other things that might make the public feel more secure about highway accidents until such time as the federal government gets in place its more stringent regulations dealing with designs of vehicles and handling of the materials?

Hon. Mr. Snow: All I can say there, Ms. Bryden, is that the federal government has been working for I don't know how many years in developing the regulations to the draft stage that we now have, and, hopefully, we will have those in force in the not too distant future. For us to start all over again, duplicating that process, will just be setting the whole process back several years.

Ms. Bryden: Why not adopt the ones that appear fairly easy to administer right now, and have already gone through the process?

Mr. Gilbert: The Ministry of the Environment has a lot of the regulations for cleanup. You mentioned cleanup. It's covered by the Ministry of the Environment regulation.

Ms. Bryden: The reporting of spills. Is placarding of dangerous substances required?

Mr. Gilbert: Placarding is all part of the federal thing. One of the problems is that it applies to all loads. It isn't only trucks. A lot of stuff is moving on rail cars as well.

Hon. Mr. Snow: By ship and air as well. The federal regulations cover the whole works.

Mr. Gilbert: They can go piggyback on to a truck and on to a train.

Hon. Mr. Snow: Or from a container on to a ship. A product can travel on three or four different modes before it gets from its originator to its destination.

Ms. Bryden: That's true. But don't you think that anybody coming in contact with that should be aware that dangerous materials are being carried?

Hon. Mr. Snow: I agree with you 100 per cent. I don't know how many letters I have written to my dearly beloved friend Otto Lang urging him to get on with this. We have discussed it at the last three CCMVA conferences, and I am sure we will be discussing it in Regina this fall again.

Ms. Bryden: Whether it will be with Otto Lang or not is another question.

Hon. Mr. Snow: Maybe not. You never know.

Mr. Chairman: We agreed yesterday that we would revert to vote 2602, but we will continue with Mr. Miller and Mr. Bradley if they have just a few short questions and can contain them to five minutes. If they are not able to do it, we'll come back to this vote.

Mr. G. I. Miller: Don't worry, I'll keep it quite short. How is the new legislation on following too closely working out? Do you have any report or any statistics on that?

Hon. Mr. Snow: It's so very new that I don't know whether Mr. Wilmot has anything on it or not.

Mr. Wilmot: No, I haven't.

Mr. G. I. Miller: Is it being enforced now?

Mr. Wilmot: I can't speak for the police forces. It is not within our ambit to police that piece of the law. Mr. Humphries says that the law comes into effect on May 1.

Hon. Mr. Snow: The regulation was just proclaimed within the last two days.

Mr. G. I. Miller: Sometimes it gets a little nerve-racking on the QEW, though there are many good drivers on it too. I think it is probably one of the main areas where following too closely can be a real hazard. I wondered how it was working, can it be policed, and is it going to be effective.

Has there been any report on the experiment of not using salt in specific areas? Has this been effective?

Hon. Mr. Snow: I don't think that comes under the safety vote but we can bring Mr. Wilkes in to answer.

Mr. G. I. Miller: Isn't that a safety factor?

Mr. Riddell: There are a few complaints from the Goderich salt mines.

Mr. Gilbert: For not using enough?

Mr. Riddell: That's right.

Mr. G. I. Miller: You can't win them all.

Mr. Gilbert: No.

Hon. Mr. Snow: Mr. Wilkes, would you take the mike there at the end of the table and maybe you could report on that.

Mr. Wilkes: It was another very poor winter for experiments. There weren't as many nice storms as we would like to have had for that purpose.

Hon. Mr. Snow: That's the first time I've heard that.

Mr. Wilkes: The only one thing we have learned is that the idea of adding some liquid calcium to the salt to make it work

faster and more effectively has not worked out. We find that it works quickly, but it stops working that much sooner and leaves the road somewhat slippery and wet. That idea doesn't work. We hope we will be able to develop a little better set of instructions for the patrolmen to give them a better idea of what to apply for different sets of circumstances, but I am afraid it'll take another year or so to really show any significant difference.

Mr. G. I. Miller: Is the attempt then to cut down on the use of salt? Is that what it is?

Mr. Wilkes: Certainly our intent is to cut it down as low as we can and still maintain the same general level of service.

Mr. Gilbert: We still have the same demands for good service from the public. That's the problem.

Mr. G. I. Miller: I know there was an area on highway 3 between Simcoe and Jarvis that was designated for this experiment and I wondered what the report might bring forth. Was it successful or not?

Mr. Wilkes: We think we have again used less salt this year than we did, say, two years ago. Last year we used quite a bit less than two years ago. Again, we don't know whether it's our attempt at improving the use of salt, by trying to bring it more to the attention of the patrolmen or whether it's just the type of winter.

Mr. Bradley: My proposal relates to the practice of many drivers, particularly friends from outside the country, who insist on driving in the left lane on the Queen Elizabeth Highway, and most particularly on Highway 401, the four-lane and six-lane highways. They cause, therefore, what I consider are safety problems. Mr. Miller spoke of the tailgating that goes on. Some of that tailgating happens because people are doing 51 miles an hour in the left lane and tying up traffic for miles.

I make a suggestion, and it may sound facetious, that some very large signs, beside the "Welcome to Canada" or "Welcome to Ontario" signs might be—

[9:15]

Hon. Mr. Snow: I think you are on the wrong track totally. I don't think there's any indication that there is anything like the number of offenders from outside our country as there is from inside.

Mr. Gilbert: I travelled highway 75 not too long ago. I have to admit that there are more orderly groups than our own Ontario people travelling that road.

Mr. Bradley: I can certainly agree that when one is travelling in United States this is the practice. My observation, driving back and forth between Toronto and my constituency, tells me that when our American friends cross the border they immediately cross into the left lane and sit there until they get to Toronto. I know we have signs on the highway at the present time that say, "Keep right except to pass"; "slower traffic keep to the right," and so on. I am suggesting that, at border crossings, substantially large signs be erected informing our American friends that they should keep to the right, except to pass.

I think what the minister is suggesting is that we are offenders as well. Of course, there are more Canadian drivers and perhaps, because of the licence plates, the visitors are more noticeable. But I see this problem on a continuous, daily basis and much of it is caused by our friends from south of the border who insist on sitting in the left lane. That forces others to pass on the right or to tailgate, flashing their lights, on, and so on. A safety problem exists because of that, I think, and perhaps a large sign at every point of entry informing our friends of that might have some effect.

Hon. Mr. Snow: I doubt it, but we'll look into it. I think I drive the Queen Elizabeth as much as you do and I don't observe that problem.

Mr. Cunningham: Were you the guy behind me flashing his lights the other day?

Mr. Bradley: You drive the third-lane portion; I drive the two-lane.

Mr. Chairman: Shall vote 2603, items 1, 2 and 3, carry?

Vote 2603 agreed to.

Mr. Chairman: Now, we'll return to vote 2602.

Hon. Mr. Snow: Mr. Chairman, I believe the committee wanted to have Mr. Alexander come forward. So, Bruce—I am sorry, we passed 2603 and that includes the Ontario Highway Transport Board.

Mr. Philip: We passed the first section of it.

Hon. Mr. Snow: We passed 1, 2 and 3, and that's all the vote.

Mr. Philip: No, we only passed items 1 and 2.

Mr. Chairman: Don't worry about it.

Interjections.

Hon. Mr. Snow: Sorry, Ed, you outfumbled yourself.

Mr. Philip: Gosh, are you going to have a lot of letters to answer then. I'll get that old dictating machine out tonight.

Mr. Chairman: That's partly my mistake. I was a little too fast in the chair.

Hon. Mr. Snow: Mr. Alexander, do you have a brief statement to make?

Mr. Alexander: Mr. Chairman, I have a brief statement that I timed for 10 minutes and I have cut it down to even less than that.

Mr. Chairman: Would you just speak into the mike, please.

Mr. Alexander: Yes. I have copies of the statement too, if that would be of assistance.

Mr. Chairman: If you would give them to the members of the committee, they can follow.

Mr. Alexander: In this brief introduction, I attempt to explain something of our estimates and give a summary of where we stand in the review, which I know is of interest to this committee. I welcome this opportunity to meet with you. I regret that, given the few months since our last appearance, I will not be able to report the sort of detailed visible progress on the review that I might have hoped for.

First, a comment on our actual estimates. As you realize, there has been a substantial increase over the last year. These increases are accounted for in the following ways:

Salaries and wages: Three new members now on staff are budgeted for and provision has been made to add one more. Since our last report to you we have made two significant additions to our board. These are Mr. J. Main Duncan, a former senior vice-president of Canadian National Railways, who possesses a wealth of experience in the transportation industry, and Mr. Robert Sloan, who joined the board after a period of private legal practice and several years with the Ministry of Transportation and Communications, primarily acting in the field of transportation law.

Both of these men will be significant assets to the board. Miss Connie Hueston has also joined our staff as an assistant secretary. All three of these people are lawyers. We have also budgeted for, but not yet hired, a chief executive officer who will take responsibility for the administrative aspects of the board's operations.

Mr. Philip: If those people are here would you introduce us to them? Are they here tonight?

Mr. Alexander: I am sorry, but they are not here.

The chief executive officer will take responsibility for the administrative aspects of the board's operations. In addition, in line with the select committee recommendation, we have made provision for a research officer to start examining in a quantitative way the wealth of material which comes to the board.

These additions, plus a new secretary to the members, salary awards and some long overdue reclassifications, account for the most part for the increase in our salary estimates. In other categories, we have increased our travel allotment to allow us to respond to the increasing demand for more frequent out-of-town hearings. We have also budgeted for the information pamphlet which I mentioned during our last meeting, and we have budgeted for word processing equipment which will allow us to automate some of our internal processes, creating administrative efficiencies.

These are the major increases in the other categories, and I'd be happy to answer any questions you have thereon. As another administrative item, we will be submitting our annual report for 1978 to the minister during the current session of the Legislature. We intend to alter the format of the report slightly so as to provide new statistical and comparative information.

I will turn for a moment to the ongoing review of the board's procedures. The review has been driven more by issues which have arisen in the day-to-day work of the board and which have demanded immediate attention rather than by the specific work plan and timetable we originally set. However, we have not lost sight of the overall objectives and progress is being made towards achieving them. These objectives bear repeating as they put the review in its proper perspective:

1. Policies, procedures and practices which are clear and understandable.
2. Regular and open communication with the public with respect to the board's operations.
3. The creation of hearing and decision-making processes that are as simple and efficient as possible, that minimize cost to the applicants and respondents alike and which are consistent with accepted principles of administrative law.
4. An organization which functions with administrative efficiency.

During our previous estimates last November, I indicated a number of actions which we had already taken, many of which were motivated by recommendations of the select committee. These included regular meetings of board members, a review of the

board's organization structure and work flow, and the indexing of board decisions.

I'd like to give you an indication of our progress since that time. We have developed a series of papers dealing with board policy designed to make the board's processes more certain in public. Two of these dealing with adjournments and reinstatements have already been made public. Others dealing with temporary and emergency authorities, costs and fees, distribution of board decisions, admissibility of photocopies and microfilm prints, use of new section 8 procedures designed to reduce the number of hearings and improve scheduling, all will be published in the near future.

We'll be producing more of these and our plan is eventually to document all of the board's procedures this way. Some of these will simply record present procedures, while others will suggest revised processes and invite comment. With further reference to emergency and temporary authorities, in conjunction with the ministry, we have developed amendments that will provide the legislative underpinning for such practices, and as I have already indicated we intend to publish a paper for public conception on this matter. We have completed the draft of an information pamphlet on the board functions and procedures and plan to have it published this fall.

We have implemented a plan to spread the responsibility for important aspects of the board's functions among the other members of the board to reduce the burden on members such as myself and Vice-Chairman Marrs and create a greater depth of experience and expertise in those matters among the members.

We are examining possible ways of publishing all decisions of the board on a regular basis.

A memorandum of understanding which deals with relations between the ministry and the board should be forthcoming shortly.

We have made progress in our goal of simplifying the form of certificates and licences. We have met with Alberta officials and were brought up to date on the work being done by that province, which is the leader in this country in that area.

With the board's support, the ministry has commenced a program of reviewing all classes of licences for form, technical language and consistency. The result of this project to date will allow us to set down some firm guidelines for our members with respect to certificate writing which should result in more concise and simpler certificates and licences. If we can achieve these goals, we will also

be assisting in enforcement and lessening the administrative burden of licence issuing by the ministry.

We are using pre-hearing conferences for the purpose of expediting hearings. We think there is a continuing role for such conferences and that they will help to streamline the format and content of the regulatory process.

We have initiated the transcribing of all hearings throughout the province, a practice that was previously in place only in Toronto. We also plan to hold hearings at more frequent intervals outside Toronto to better accommodate those applicants who find it inconvenient to come to Toronto.

The board has completed its special meetings into the regulation of dump trucks in Ontario. We expect to have a public report completed within the next two months which will outline the board's policies with respect to future applications.

If I could summarize our progress to date, I would say that our very highest priorities have been as follows:

On the point about the development of appropriate mechanisms for consultation, we have learned a great deal from our class R meetings, and it is our intention to use this mechanism for policy development in the future, where appropriate. For certain other matters we will communicate directly with major associations and other interested parties.

On the point of communication with the public, the Canadian Bar Association recently held a seminar on transportation law in Ontario which resulted in an excellent exposition of our board's procedures. The papers provided constitute the first updated description of the board's legal procedures in 13 years. I compliment the organizers of that session and welcome their assistance in making the board better known to those it serves.

Another major priority, as I have said before, has been the documentation of existing practices and procedures. We will soon release a number of policy papers and directives on a wide range of matters, and others will follow. These statements will serve to outline current policy and/or procedure, and make or propose required changes in a visible, open way.

The third area of concentration is the administration of the board itself. We feel that a streamlined administrative structure and improved procedures internally are necessary to improve ourselves to the public. The board, for too many years, has not had the benefit of modern business equipment or business methods. Staff and members have done the best they can under systems which work

but which are outdated. If we wish to shorten our processing time, be more responsive to the public and improve our scheduling process, then it means we must deal with the administrative aspects of our operations. While this area is not as immediately visible as some policy issues, I make no apology for our efforts to concentrate on it. It is absolutely necessary.

Finally, we have in place now a specific policy directive from cabinet with respect to public vehicle applications and expect to receive similar directives on the public commercial vehicle side once enabling legislation is passed.

Our review continues and, during the next few months, we will be looking at a number of additional subject areas such as public vehicle tariff approval, review and appeals, notices of motion, the role of the board in relation to complaints, et cetera.

I would trust that the next time we meet I will be able to advise of more substantial progress than I can at this time.

I have not dealt with all the subject matters under review, but I would be pleased to answer any questions you may have. Thank you for allowing me to address you.

[9:30]

Mr. Cunningham: Mr. Chairman, on this occasion I want to commend the chairman of the board for this communication and this brief. I think in the short time you've been there you've attempted, with the assistance of a lot of people like the fellow behind you, to bring some order and some regularity to the operations of a board that I personally think is really vital. I would rank it second only to the Ontario Municipal Board. Certainly I'd rank it ahead of the racing commission to the operation of Ontario. If we're going to maintain a regulated system—

Hon. Mr. Snow: Ray Connell wouldn't like you for that.

Mr. Cunningham: The racing commission? Ray Connell would be a good chairman for that if you're thinking about that some time.

Mr. Riddell: Harvey's not ready to give up yet.

Mr. Cunningham: No, he's not.

Quite frankly I have some doubts about our system, but that's a matter I should be pursuing with the minister and not yourself. But if we're going to maintain a regulated system then the board must be fair, must be perceived to be fair, must be efficient, and in my own view must reflect on a very current basis the policy of the government of the day in all its decisions.

At the same time, I think if we're going to have regulation, the most important principle has got to be competition—fair, open, aggressive competition. While it's a difficult task, I think in many ways it's incumbent upon yourself and your fellow commissioners to not limit profits necessarily, but ascertain that the rates are fair—whether it's for class Rs, or the rates of C carriers, or whatever. And you should ascertain that people are being served, especially in outlying communities.

That's one of the reasons in my view that we have a regulated system—to see that the concept of cross-subsidization provides for service for the rural communities, the smaller communities, especially up north. To that end I hope that the North Bay restriction we currently see is removed. I just hope it doesn't come in a package, as it has on two previous occasions, that would require an element of deregulation because it just philosophically does not seem to suit either of the opposition parties. With the interests of especially the rural areas of northern Ontario in mind, we continue to resist it.

If we are going to have deregulation, then I think the efforts you have made are wasted. The improvements you have made have been a waste of time and a waste of taxpayers' money. But in reviewing your activities recently, and in looking at this presentation you have made to our committee, I am impressed that you are going to make some necessary improvements—improvements that I want to suggest were long, long overdue in the operation of that board. You and Mr. Caldwell probably know it better than any one of us in this room.

I want the record to show that it was with not a great deal of pleasure that Mr. Philip and myself and members of our parties pursued the irregularities that surrounded the UPS case. It would not come as a shock to you that Mr. Philip and myself and the members of the resources development committee, or people who were substituting at the time, were absolutely amazed at some of the things we heard two months ago. At some time it will be incumbent upon the members to formalize some kind of report and deal with that in more specific terms. But the idea that some of the practices could go on the way they did causes me some very grave concern. I hypothesize a bit and wonder if the same kind of casual approach was taken to the affairs of the Ontario Municipal Board or the Environmental Assessment Board. If that is the way that—I'm sorry?

Mr. Philip: Or the liquor control board.

Mr. Cunningham: It seems to be under control all right. If that kind of casual ap-

proach was taken in these other areas, it boggles my mind.

I'd like to ask you, and my colleague Pat Reid dealt with you on this in some detail last year, about the process of communicating government policy between yourself and your minister. What is that process like now? Did you meet regularly? How do you derive—in your own opinion now, today, in your responsibilities as chairman of this board—what you determine to be government policy on a daily basis?

Mr. Alexander: I think perhaps when I was talking to Mr. Reid last November about this, I was somewhat simplistic. I hadn't had a great deal of experience with regulations before I came to the board. In the last five months I have had the opportunity to discuss this very issue with numerous other people in regulatory positions in other jurisdictions and each jurisdiction has a different way of approaching it.

I am not evading the question. I am just trying to give you some background, because I think it's important that certain principles be established about policy before you establish the mechanics of how policy is derived. It seems very clear now to me, and I think to everyone who has studied the field, the important thing about policy is not how it's derived but that it appear to be derived in a fair manner and that it be known to all the participants, at the time they are involved in a hearing, which that policy would have some application to.

I feel that very strongly. I think it's very wrong to have people come to a hearing when they are not reasonably sure about how they are going to be treated and about what principles are going to be applied to their case. That has not been the situation in the past.

The policy that was there could be derived, if one took a careful search of the records of the board—at least the previous proceedings of the board—and to a large extent it existed in the minds of the lawyers who practised before the board and the members of the board. But there was no place a person who wanted to understand the workings of the board could go and find, documented in a way he would understand to his satisfaction, what standards would be applied when his case was heard. I hope we can remedy that very quickly.

The problem is that as soon as you get into the questions of policy, you get in some very difficult areas. It will take us much longer to develop that policy to my satisfaction than I had thought originally.

Let me just tell you about the three types of policy I think are important. There's the type of policy that deals with the way the board acts when it's hearing an application—when people are before it—and that's procedure. There is very little documented about our board's procedure at the present time. In my introductory remarks, I referred to some of those things; whether or not we will accept—and we are very inconsistent on this basis—copies rather than originals; what we do with expert witnesses; how many copies you have to file; what's our policy on cost; what's our policy on adjournments. We tend to know but it has never been made available to the public and that's one reason lawyers are so valuable to the board because they are the people who do know. I am not saying that—

Mr. Cunningham: Not only that, it's valuable to them—because there are so few guys who know what's going on.

Mr. Alexander: That's right.

Mr. Cunningham: It's an advantage to the 20 or so who practise there.

Mr. Alexander: I don't mean to cast any aspersions on the people that practise before the board.

Mr. Cunningham: I don't either.

Mr. Alexander: They are all very capable people. But it's for their advantage too, because they are trying to second-guess us from time to time. They don't have reference points. The best job that was done—and I find this a little embarrassing from the board's point of view—of documenting policy with respect to applications and opposition of applications was done by the legal community itself two weeks ago, when they devoted a whole half day to setting out what the policies and procedures of the board were. That's the best thing that's available and it's very well done and anyone who wanted to go to the board even on their own could use that as a handbook, a manual.

Mr. Cunningham: Could I get a copy of that?

Mr. Alexander: I am certain you could at the Canadian Bar Association. Does anyone know if that would be available?

Mr. Sommerville: Yes, it is available.

Mr. Alexander: At any rate, that is what we are trying to do. They talked about procedures, the level of policy at the procedural level.

There is another level of policy which I think is in between policy set by government. Government is ultimately responsible

for policy, at least in our system of government because this board is accountable to government, not like the ICC which can, by mandate, take its own approach to regulation. We have ultimate responsibility to the minister.

There is a middle ground. I think that middle ground is what we are doing with the class R hearings. We were given a mandate to listen to what people had to say about the operations of dump trucks. We presented some policy options to them and listened to their comments and we are coming up with something we think will be policy.

That is not the ultimate decision about policy because what it talks to is the demand in the supply of dump trucks and under what circumstances transfers can occur and what sort of evidence we should accept. It is that sort of middle ground type policy.

Then there is the written large policy, the first document we have of that type, which was the PV policy. That is the ultimate government policy. I very much believe the major policy changes, shifts, directions should come from government and they should be public. Everyone who approaches the board should know about them.

We are moving into a situation where, because of the mechanism, one of the ways in which that policy is to be established is through order in council. Frankly, what concerns me a little bit is that we may have created something with some inflexibility in not being able to create policy statements that don't have to come out by order in council.

I think that can still be done. In fact, I am certain it can still be done. It may be the way we will have to go to deal with specific situations. Those are the three or four levels of policy.

In response to your specific question about discussions involving the minister and the ministry, we have had regular discussions with the minister and the ministry over the last six months. They haven't been formalized but I think once we agree on this memorandum of understanding, it will set out the framework for our consultation with them and our exchanges with them both at the staff level and at the ministerial level.

Mr. Cunningham: I am concerned that this happen soon. We recommended it and were sensitive to this in a real way in our select committee reports—both of them.

It would be my hope that the policies be flexible on a day-to-day basis, whenever

something changes, whether it is the movement of a hazardous type of good we are concerned about, or because of an energy crisis which could happen very quickly, or the granting or interlining of licences. I am being hypothetical here. It is important that flexibility exists.

I would hope the minister might more often get up and say, "This is going to be our policy from this day forth." It could be a statement in the House or something like that. There are a number of ways in my opinion it can be done such as a speech to the trucking association. Once it is made public, the caveat is out for those of us who are interested in transport law. There aren't that many of us and it is not going to be on the coffee table for very long. For the people in the industry, for the owners, for people who want to get into the industry, for the legal profession working at the board, it is a caveat.

If the minister were to get up tomorrow and say, "From this point forth we are going to encourage more flexible licences," I would find it attractive. It would especially help northern Ontario so the lumber haulers, whoever, can have backhauls to assist in lowering the costs for people who consume goods in northern Ontario. I would find that kind of thing attractive. I think it is important.

[9:45]

Along those lines I want to know and I would like to solicit your views on the difficulties we have seen and heard about in the press. Mr. Philip I am sure has had complaints. I have had complaints about de facto deregulation, especially in regard to fruit and vegetable people and the reciprocity agreements that have been established with so many of the United States. Are you concerned about this, do you have any feelings about it, are there things which should be done?

Mr. Alexander: I am not an expert in that field and the entire responsibility is outside of the Ontario Highway Transport Board. The gentleman right behind me is the expert.

Mr. Cunningham: If Mark could come to the mike it would be great, if he has some feelings about it.

Mr. Larratt-Smith: Now that I am here perhaps I could have the question more precisely.

Mr. Philip: The deregulation of reciprocity is the question. That's what they're asking.

Mr. Cunningham: That's exactly it; that's the pith and the substance of the whole

thing. In my opinion it's de facto deregulation. We couldn't get the various bills through and now we are somewhat casual in our enforcement. God help the guy if he's got a tail-light out if it's a fruit and vegetable carrier here, but there are a myriad foreign trucks coming in at the expense of our produce haulers and that, in my view, is not the intention of the reciprocal agreements.

Mr. Larratt-Smith: Perhaps what might be useful, Mr. Chairman, would be for me to explain a little bit of the factual background of this subject.

Mr. Cunningham: The Globe and Mail is not my research department, but I looked at an article by Peter Moon dated March 14 this year which I know you've read. I know you read it because you're in it.

Mr. Larratt-Smith: Pardon?

Mr. Cunningham: You're the star in this thing. I think of things like the comments by a fellow like McKeen. We've had the bankruptcy in Hamilton of a large carrier. We knew when we suggested in our report and recommended reciprocity that the salad days—that's a bad example—that the good fortune that many of them had in moving loads from border points to Toronto was going to be over to a large extent, although there would be a bit of it. What we didn't anticipate was that there would be literally very little enforcement of regulations preventing people coming into this country without operating authorities. It's as simple as that.

Mr. Larratt-Smith: I think, first of all, if you've got the article by Mr. Moon in front of you that certainly insofar as I was quoted in that article that is a pretty fair statement of the problem as I was able to put it forward. It simply related to the pressure, I guess, that the ministry and the government was placed under by some of the southern US jurisdictions in terms of what was to be an acceptable arrangement for reciprocity.

You're quite correct that the matter of operating authorities does not bear directly on the reciprocity issue. Reciprocity has to do with commercial motor vehicle licence plates—the registration of the vehicle rather than the operating authority.

The condition that was imposed by those jurisdictions at one time, as I recall, was not only to prevent Ontario trucks going through without buying full registration in each jurisdiction, but, also, to prevent Ontario buses going through, which was obviously of some considerable concern as well. It was under those circumstances, with the threat of this sort of a ban or requirement for full

licensing in each American jurisdiction, that we attempted to try and resolve the problem.

The Americans stated very clearly to us, "Look, there's no point in our having commercial vehicle reciprocity on the registration if none of our trucks can get into Ontario, and the trucks from the southern US that are going to want to get into Ontario are the trucks carrying oranges, grapefruit, watermelons and peaches. Those vehicles can't get into Ontario because you have this PCV system."

Obviously, they're not familiar with the PCV system in any great detail. Knowing the ICC form of regulation, that's the one they tend to model all of their concerns on. Of course, as you are aware, the ICC form of regulation is built on quite different premises than our own.

The only way they were prepared to proceed with any form of registration reciprocity was on an understanding from us. In fact this had nothing directly to do with the legislative changes you mentioned, although the current situation is not one that one would want to live with. The only arrangement we could make in the short term to prevent the deadline they were imposing upon Ontario vehicles coming into effect was to say, "Look, in respect to these movements, as far as possible we will treat those movements as falling under the equivalent exemption or the only related exemption that comes under the PCV Act, which is the exemption on first loads from the farm."

Much of the documentation that accompanies an American load is probably somewhat suspect to begin with. In the first place, it's very difficult for an Ontario inspector to verify that documentation easily. We're aware, as everyone is aware, that with the situation in much of the United States and the southern United States, that the agricultural rules have changed. Watermelons, as I understand it, are still picked up in farm fields, but there is a grading process and a washing process that may or may not take place physically on the individual farm where some oranges originate.

Given the somewhat grey area involved in the transportation of those fresh fruits and vegetables from the southern US and the importance of reciprocity to Ontario, the arrangement was simply made on an informal basis, that as far as possible we would treat those American loads coming in as being loads that fell under that from-the-farm exemption.

Mr. Cunningham: My opinion on this, and it's after a bit of retrospection here, is that

we've been conned very badly. I just can't believe that the Americans would stop a bus of people on the way to Florida. It wouldn't last very long. They spend money to get us to go down there as tourists. Many of them want to come up here, not in the winter of course. I can't see that happening.

As for the imposition of their rules and ours, when I'm down there if it's 55 miles an hour, I go 55. That's the way I approach things. I would expect that when they are here they would live by our rules. We have had their rules imposed on us in our country to the detriment and at the expense of Canadian business people.

Mr. Gilbert: May I say that the concerns you are now expressing are concerns that we in the ministry have had for some time. We were criticized quite strongly, as you know, that we were not moving ahead on reciprocity.

We always had concerns about reciprocity. Bob Humphries can confirm this. He had had discussions on reciprocity for years and we have always had these kinds of concerns. Those were the kinds of risks we were running. It's all right to say that you feel we were conned, and what have you. Let's face the facts. As a ministry we were under a lot of pressure, from the select committee and everyone else, to get on with reciprocity. There is no question about it.

Hon. Mr. Snow: I would like to say also that it was in July and August 1977 that I received letters from the registrars or chiefs of regulation of Georgia, South Carolina and Florida saying that unless we had some reciprocity agreement they were going to take certain actions. I immediately had a great many letters and phone calls from fruit and vegetable haulers and the bus industry but largely from Ontario fruit and vegetable people who haul from Florida, saying, "For God's sake, do something. If you don't proceed with reciprocity we're going to be out of business because we will not be able to haul into the United States at all, or we won't be able to haul through those states without an \$800 or \$1,000 licence in each state which would make it economically impossible."

I can't remember the names of the different companies now, but they were mainly in the peninsula and the Windsor-Chatham-Kent area. I had calls from haulers down there.

So, after discussions with many of these carriers, with our staff and with the officials, and based on the recommendations of the select committee, we proceeded to negotiate

agreements. I think Mark Larratt-Smith outlined the details leading up to them very well. But I'm telling you, there was a lot of pressure from and concern among the Canadian haulers to the effect that they needed this reciprocity agreement. I really have had very few complaints from them since. There may be some loss of business on this side of the border to Canadian carriers, but there would have been a lot more loss of business on the other side of the border to Canadian carriers if we had not had reciprocity agreements.

Mr. Cunningham: We all recognize that.

Hon. Mr. Snow: You're trying to give us a con job.

Mr. Cunningham: I'm not giving you a con job. You are presiding as the minister over what I think is going to be the failure of the industry.

Hon. Mr. Snow: I think we made the very best arrangements possible in the interests of our Ontario carriers under the circumstances.

Mr. Cunningham: Quoting Mark in the *Globe and Mail*, he said: "The inspectors write up what they feel to be violations but, by and large, the government has not been proceeding with most of these charges against the Americans on the basis of trying to maintain reciprocity." It's a farce. It's an absolute farce. They come in here, run on our roads and we can't verify whether they're first movements, or whatever, and they're getting away with it. And, down the line, the problem is going to affect our export markets because we're not going to have the Canadian industry to get the goods out of Canada.

We have a board run by this gentleman over here, Mr. Alexander. All the carriers would have to do is make an application. The most important thing, when you have regulations, is that you've got something you can take away from them, in the same way that our carriers make applications to the ICC. If their laws are a little more liberal, or if the operation of the ICC right now is a little more flexible, or whatever, that's its business. I think, in this province, we could accommodate an intelligent, fair, equitable approach to their applications. As it stands now, it is just pretty tough for a guy in Canada who is trying to do business.

[10:00]

I just don't think we had to take that kind of pressure. I don't think for a moment they would have done it. They might have stopped the buses for a while, but how long would

the governor of Florida tolerate that, Jim? You know he wouldn't. You have met with him. When the pressure arose from the tourist industry down there, you can be damn sure the buses would be rolling again. Those buses buy gasoline in those places, and our trucks pay fuel tax on a much more simplified basis too.

Hon. Mr. Snow: The haulers and the bus operators were certainly very outspoken on the need to get on with it, Mr. Cunningham.

Mr. Cunningham: I think the bus situation is a little different and I think it's not completely analogous with the trucking situation. I think we got conned, I really do.

Mr. Chairman: Mr. Philip, you wanted to ask a question.

Mr. Philip: I am not convinced the states north of Florida wouldn't have enforced what they said they'd do. In any case, we have a situation where certainly in the minds of our carriers they thought they would. I think the minister is right in saying it was at least a perceived threat and there was a real pressure on the minister. I can appreciate that problem. However, we are now faced with the situation where our carriers have the worst of all worlds. They are regulated, and they are running down there. They don't have the contacts to get the loads to come back in some cases; and they have wall-to-wall American trucks down there waiting for loads. Some of them tell me they are in the process of simply setting up their business in the States, because they can haul in and out of here without paying for a PCV licence as American carriers, and there is no difference in the wages they have to pay. In fact, they can probably pay less wages if they set up in Georgia and run out of there—

Mr. Cunningham: Or Delaware.

Mr. Philip: —as American carriers. I'd like to ask you, have you looked at the European kind of reciprocity where some countries have been able to negotiate the number of trucks that come from one country into another. They have some kind of reciprocal agreement or head count, so to speak. We would only let as many American carriers in as there are Canadian carriers going down and picking up loads. Would the Americans be willing to look at some kind of formula? It might be 25-75, or it might be 50-50. Have you explored that?

Hon. Mr. Snow: I haven't, I don't know whether Mark has or not.

Mr. Larratt-Smith: Yes, in the context of the CCMVA, there has been a committee of Canadian commercial motor vehicle reciproc

city. We specifically asked the federal representative on that committee to do a preliminary survey through all of the facilities the federal government has on the European approaches to the problem. We had a number of papers presented to us.

The members of the group, on digesting those papers, really came to the conclusion that the economic situation and the transportation situation and the governmental situation were radically different in Europe and really there was very little we could apply or we could take directly across from the way they were doing things.

Mr. Philip: They feel the German-Belgian kind of reciprocity agreement wouldn't work—where you have got a deregulated system in Belgium, and a regulated system in Germany—yet they don't seem to have any problems in terms of reciprocity. A certain number of the regulated carriers in Germany are satisfied with it; the deregulated carriers in Belgium would like to have more of them in, but they at least accept it, and you have a free flow of goods back and forth with both countries having carriers hauling them.

Mr. Larratt-Smith: In the general context, it did not appear there was anything we could make immediately applicable to the North American environment from the European experience. I can't go into more detail than that without going back to the various papers we had developed for us by the federal Ministry of Transport.

Mr. Philip: I'd certainly like to see some of those papers you consider as reasons why that might not apply; perhaps at the next estimates we can go through some of them and take a look at that.

I have some very general policy questions but, because of the time, I would like to deal with a couple of the matters that are more specific and that I have promised certain people that I'd discuss with Mr. Alexander.

I am concerned about the Public Vehicles Act and how it may be applying in the case of chartered buses in the area of Toronto. I am talking particularly about the right of TTC and the rates they seem to be charging. Metro Toronto Senior Citizens' Council has been particularly concerned that last year they could charter a bus from Union Station for \$70 from a particular bus company. Now they must use the TTC and the bill comes to \$128. In the case of busing of seniors to Dominion stores, which is a thing that happens in Toronto; \$45 last year, TTC \$67. This year in April, the Metro Toronto Senior Citizens' Council charter to Harbour Castle Hil-

ton; the TTC charged \$76 for five hours and if it was over five hours the price would suddenly jump to \$140.

I know that under the Public Vehicles Act you have the power under section 25 of "defining charter trips, special trips, school buses and prescribing special terms and conditions respecting such buses." You also have powers under subsection (b) of that section prescribing fees and the basis for computing fees and respecting payment thereof. I am wondering why TTC has been able to justify these very high fares; there are many seniors out there who seem to be suffering as a result of that.

Hon. Mr. Snow: Could I ask for clarification here on this question? Where are these trips? You mention a trip from Union Station, and a price of \$70 and \$128. Where would this trip be to, for instance, on these different trips?

Mr. Philip: Within the City of Toronto.

Hon. Mr. Snow: Then that doesn't come under the PV Act. The TTC don't operate under the PV Act.

Mr. Philip: So they are operating entirely in the same way as a cartage company would operate?

Hon. Mr. Snow: Transit authorities, whether it be the TTC in Metro Toronto or Mississauga Transit in Mississauga, if they operate within their own boundaries do not require a PV licence.

Mr. Philip: Yes.

Hon. Mr. Snow: The only PV licence a transit authority has is when they operate charter trips outside of the municipal boundary.

Mr. Philip: Yes, the problem has existed with those that are in areas of Metro on the verge of Mississauga. I discussed this with the chairman of the board. They have been able to get companies in Mississauga that would give them quite reasonable rates to carry them from points within Toronto. Suddenly what's being applied very rigidly is the fact that they may only use TTC. This is because those people in Mississauga don't have operating authority to cross the boundary and pick up fares in—

Hon. Mr. Snow: There are many bus companies that do have—I don't know how many, but there are a number of bus companies that have PV licences to authorize them to operate charters out of Metropolitan Toronto. I stand to be corrected but I believe they can operate within Metro Toronto too under that same authority. A number of companies can do that, so I don't see why you're

saying that certain groups are bound to the TTC.

Mr. Philip: Mr. Alexander, maybe you have some comments?

Mr. Alexander: We had a discussion about that, and my understanding was that a senior citizens' group had suddenly found their rates for a particular trip, which they had taken on a number of previous occasions, had suddenly jumped, and they weren't able to use the carrier they had used before.

I think the fact was that the carrier they had used before was not performing a proper service; he wasn't licensed to perform that service. As it turned out it was entirely within the Metro boundary. This can happen, Mr. Philip.

I am not sure if these are the factual circumstances, but I recall hearing about a situation of a group somewhat similar to that where their previous trip was within the municipality, or outside the municipality, and the location of the trip changed so that the previous bus licence holder couldn't do it any longer. They had to go to the TTC because the TTC was the only one that was licensed.

Mr. Cunningham: On a supplementary: I am just wondering if I could elicit your opinion on this. There hasn't been a major overview or review, at least that I know of, of the movement of passengers, of people, since the Chevrier commission or whatever it was, back when Jim Snow was a teenager.

Hon. Mr. Snow: When was that?

Mr. Cunningham: Back when you were a teenager—back in the early '30s or late '20s.

Hon. Mr. Snow: That's when you were only a dream in your father's eye.

Mr. Cunningham: That's right. My father was barely alive.

Hon. Mr. Snow: It wasn't a very good dream either.

Mr. Cunningham: That's not bad. I'm going to give you 10 on that one.

Hon. Mr. Snow: It was a nightmare, I think.

Mr. Cunningham: Would you be of the view that we should have a review of this to see more flexibility in the whole movement of people, passengers? We seem to have a great priority for watermelons, hazardous goods, milk, manure and all the rest of it, but when it comes to the movement of a human being there seems to be a little less interest sometimes.

Hon. Mr. Snow: Mr. Cunningham, we have a review going on at the present time, quite

actively, of the Public Vehicles Act. There is a committee involving representatives of the ministry, of the motorcoach association, the Ontario Transit Operators Association, the school bus operators association, and an unrecognized group I refer to as the small bus operators who may be members of the motorcoach association but who really wanted to have representatives on this committee to represent the interests of the small bus companies, and the Highway Transport Board. That committee has been operating now for several months.

Recent reports I have had in discussions with the industry have indicated some excellent meetings and discussions have taken place. I don't know whether you can tell me, Mr. Humphries, when I might receive the recommendations of that committee. Do you have any date at this time?

Mr. Humphries: We have had all day today. We discussed nothing but charters and we did not resolve the problem. We cannot get a consensus among the industry yet.

Hon. Mr. Snow: How often are you meeting?

Mr. Humphries: We have had a meeting every three or four weeks since last September.

Hon. Mr. Snow: This is something I worked out with the industry. We set up this committee with their concurrence and as soon as I get the report from that committee, we will certainly be looking at legislative changes.

Mr. Cunningham: Could I ask, are you involved in discussions relating to tariffs also? Is it that comprehensive?

Mr. Humphries: About the procedural approval of tariffs, yes, but not the actual amount of tariff to be charged.

Mr. Cunningham: I am wondering what your response might be to this. It is my understanding that the Peel County Board of Education, I gather, have in the past gone to the federal authorities with regard to a request under the federal Combines Investigation Act concerning what they consider to be usurious rates or non-competitive rates in their area.

Mr. Humphries: I am not familiar with that.

Hon. Mr. Snow: I haven't heard about that.

[10:15]

Mr. Philip: If I may continue, I think that where I'm headed, Mr. Alexander, is that it seems to me this is just another ex-

ample of how the municipal regulatory system really doesn't work; that if you want to have competition in the movement of goods, or in the movement of people in this case, you need to have provincial regulation. You need to have a situation where at least the transport board can ensure there's some kind of competition, or if there isn't competition where there's at least some justification of tariffs.

I would suggest to you that just as it won't work in the tow-truck industry, just as it hasn't worked very well in the movement of people through the taxi industry, that in the busing industry it isn't working terribly well either. The seniors are the ones who seem to be suffering at the moment in Toronto. We'll probably have more examples, then, if we look for them.

Mr. Alexander: Mr. Philip, in the Metropolitan Toronto situation, there's one carrier which has that monopoly privilege. Were you suggesting that if they had a board such as our board regulating in Metro you would prefer to see competition to the TTC among the additional carriers?

Mr. Philip: I am suggesting that you either need competition or you need some kind of price-setting mechanism by boards such as your board.

Hon. Mr. Snow: Are you suggesting that the Highway Transport Board should set the TTC fares? Is that what you are suggesting?

Mr. Philip: I am not saying the fares, I am saying the charter system. The charter system is much more analogous—

Hon. Mr. Snow: I can't see authority for the Highway Transport Board to regulate the TTC running charters within their municipal boundaries. There is competition. There are other operators licensed to operate within Metro Toronto on charters.

Mr. Philip: I'm saying the evidence I have certainly seems to indicate that in the case of the seniors, that if they had been able to obtain the same service for a lot less money from companies that didn't have the right to operate within the municipal boundaries—

Hon. Mr. Snow: Who told them they couldn't operate—unless they were unlicensed carriers?

Mr. Philip: Oh, no, they're licensed for Mississauga but they're not licensed for Toronto. They're licensed for Oshawa, perhaps, but they're not licensed for Toronto.

But they're perfectly willing to take the charters.

Hon. Mr. Snow: They could apply for a licence in Toronto.

Mr. Alexander: This is a movement entirely within Metropolitan Toronto?

Mr. Philip: Yes.

Hon. Mr. Snow: We wouldn't be involved with a movement within a municipality.

Mr. Philip: I realize that, any more than you want to become involved with the movement of the tow trucks within a municipality.

I would like to ask—I'm sorry, I missed the minister's comment.

Hon. Mr. Snow: I said I'm sure the TTC would love to have the province regulating their movement.

Mr. Philip: I'm sure that even the province could do a better job than Karl Mallette can do.

Hon. Mr. Snow: I didn't know Karl Mallette was running the TTC.

Mr. Philip: He's certainly running Gray Coach fairly ineffectually.

I am going to talk about brokerage, and when I talk about brokerage I want to refer to the description of brokerage as outlined in the select committee and particularly in chapter 6, which basically defines brokerage as a dispatching kind of service. It becomes increasingly clear to me that some kind of regulation of brokerage firms is certainly necessary.

I was with a chap this afternoon who informed me that the percentage in Toronto ranges from 25 per cent to 45 per cent, that there seems to be quite an inconsistency in service, and it seems fairly unclear how someone who is a small operator can obtain either a D or an A licence by going to the transport board since the brokerage firm, which in fact is the distributor of the cartage, is the only one which could act on his behalf and knows that there's business there. The individual shipper who is dealing through the broker will not stand up for John Smith and his one truck or any other person. I am wondering if you're thinking of, first of all, moving toward the licensing or the regulation of brokerage firms, as suggested in the select committee, and what we may have in store in that regard.

Mr. Chairman: Mr. Philip, I think we will have to adjourn. There is a vote in the House. I understand there's no bell but they're ready to vote. This meeting will be adjourned until Tuesday at 8 p.m.

The committee adjourned at 10:20 p.m.

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 Humphries, R. H., Assistant Deputy Minister, Drivers and Vehicles
 Larratt-Smith, M., Director, Program Development Branch, Transportation Regulation Division
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Ontario

No. R-5

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Transportation and Communications

Third Session, 31st Parliament

Tuesday, April 24, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, APRIL 24, 1979

The committee met at 8:03 p.m.

ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS (continued)

On vote 2603, safety and regulation program; item 1, program administration:

Mr. Chairman: I will call the meeting to order so you will have 30 minutes to question Mr. Alexander. The other members are on their way here, but this is especially for you.

Mr. Philip: Would you just give me a couple of minutes to get my act together, Mr. Chairman?

Hon. Mr. Snow: Is that all it's going to take you?

Mr. Philip: It's never taken me longer than that.

I believe when we were last working on the whole problem of brokerage firms, I was starting to ask some questions. I was interested in the fact that someone who operates a brokerage firm in Toronto met with me and informed me brokerage firms in charge as much as 45 per cent. They seem to vary between 25 and 45 per cent, though I had always understood from some people that the fee was only 10 per cent or this kind of service.

I guess it is really not Mr. Alexander's responsibility to answer the question because I think his job is to carry out your policy. I'd like to know the minister's policy on brokerage firms. Are you prepared to bring in some kind of licensing of brokerage operations? What kind of licensing? Do you believe that brokerage, in the sense of not the trucker brokers but the people who merely operate as a clearing house kind of function, serve a purpose in the trucking industry? Are you going to regulate them or are you going to outlaw them? What's your position on the select committee's recommendations on brokerage?

Hon. Mr. Snow: The whole matter of brokers is something we have been looking at but I must say, with so many other things we have been dealing with in the whole trucking business, we put other things at a

higher priority until we get past that hurdle, you might say. It is somewhat confusing because some people refer to brokers and mean the independent owner of a truck.

Mr. Philip: I think I defined a broker the last time I was talking about them.

Hon. Mr. Snow: I realize that, but some people refer to them as such and other people refer to the broker as the arranger of transportation. My own philosophy is there is a role for the broker.

Mr. Philip: Which ones are you talking about?

Hon. Mr. Snow: I thought we were talking about the one who is the arranger of transportation.

Mr. Philip: Okay, that's fine.

Hon. Mr. Snow: I think there is a role for both if you want to go that far, to clarify that point.

In fact, a year or so ago, I had a meeting at my home one evening with about 20 or 25 truckers, most of whom were the independent operator broker, if you want to call them that. One of the members of the group was the so-called arranger of transportation broker. We had a long discussion about this whole matter and obviously the broker who was the arranger was very highly regarded by the independent truckers who worked for him. He served a very useful purpose but, on the other hand, they told me somewhat horrendous tales about other brokers for whom they had worked. They had encountered such things as slow payment and many other things. I find there are so many different arrangements you really can't compare percentages of what one broker might charge to what another might charge because, in some cases, the broker owns the trailer. He is the arranger of transportation. He also, in many cases, pays the insurance on the full operation, the tractor, the trailer and the load.

Mr. Philip: I think that is an interesting point.

Hon. Mr. Snow: If you would let me continue for a moment.

I talked to one independent operator who works for a broker. He explained to me the arrangement he had, where the broker took

a 10 per cent commission, I believe, for his arranging of the transportation. He took 10 per cent to cover the insurance on the total operation; and 12 per cent, I believe it was, for the use of the trailer because he supplied the trailer. All the independent operator owned was his own tractor.

I can't, offhand, say more. I've talked to several well-known truckers, members of the OTA as a matter of fact, to see whether this 10 per cent that some of them seem to charge for insurance was a reasonable amount. The indication I have is it may be considered high. A lot of fleet owners told me probably six or seven per cent would be more reasonable. On the other hand, maybe the insurance rates for covering the fleet of independent operators might be higher than covering the fleet of an established firm. I don't know, so it's kind of hard to comment. We certainly hope to have a position paper later this summer on the owner operated, broker situation. It is something we want to deal with but we want to get all the other things we have on the table settled first.

Mr. Philip: If you are moving towards a licensing system, would you at least accept the need, perhaps as an intermediary step, for some kind of registration system so you'd at least find out who the brokers are, where their place of operation is, where they can be reached, and perhaps some other factual information such as their banker's name and address and that kind of thing as a step towards licensing?

Hon. Mr. Snow: I hate to do that, since I'd have to have legislation to require even the registration. I'd sooner deal with it a little more thoroughly and properly. As I say, I have instructed our staff to work on this matter and bring forward everything they could, but not right at this moment.

Mr. Philip: This afternoon I called a couple of lawyers in the industry to get some impressions from a legal point of view. One of their concerns they said was: "Liability is really not very clear." I'm not talking about accident liability, I'm talking in terms of shipper damage, in terms of some of these brokerage firms.

Hon. Mr. Snow: Shipper damage? What do you mean by shipper damage?

Mr. Philip: If I ship my goods and they don't arrive, or they're stolen, or they disappear, or they're damaged, who is responsible?

Hon. Mr. Snow: Carrier damage, I would call that carrier damage.

Mr. Philip: Damage to the shipper's goods is what I think I said. Who is responsible? I

gather in some cases some of these so-called brokers don't carry insurance. There's no guarantee that the independent broker or truck operator who works through them has adequate insurance on the goods he's carrying. I'm wondering how you handle that without some kind of licensing system. Where would the onus be to carry adequate insurance on the goods being carried?

Hon. Mr. Snow: I guess it all depends on whether the broker is operating as a license carrier or not.

Mr. Gilbert: If he's working as a broker, if he's operating a number of owner-operated vehicles, then presumably he would have the insurance for that.

Hon. Mr. Snow: Many times, the situation is the holder of the PCV licence is ABT Transport Company which may own five trucks and 50 trailers. They hold a PCV licence and use independent owners or the other type of broker, if you want it called that, to operate and do the hauling for them. If they hold the licence, they are responsible to the Ontario Highway Transport Board for proof of insurance. They carry the general insurance policy on all the trucks whether they own them themselves or whether they are owned by the independent operator. That's why they charge back a percentage of the rate to the independent operator.

I talked to a trucker in my riding office a month ago, and he was getting 68 per cent. I think it was, of the gross amount for the movement of the load. The transport company which held the PCV licences was taking 1 per cent for its commission; they were charging him 10 per cent insurance; and they were charging 12 per cent of the gross movement fee for the use of the trailer. The owner operator who owned his own tractor was getting 68 per cent.

Sometimes, I've also heard of situations where they charge the broker, if they have a warehouse and loading docks and what not, a percentage for the use of the terminal.

[8:15]

Mr. Philip: You can see the problem that the shipper has when he does have some damage if he's dealing with one of these brokerage companies. He can go to them, and they can say, "Well, you go after the trucking company; here's their name." If the broker is dealing with 100 different trucking companies or 100 different independent driver-operators, you can see the problem that the shipper may have in trying to collect the damages.

I'm wondering whether it doesn't make sense to go towards a licensing system of the

brokerage firms, if that's the way you're going, at least to ensure that the guarantee of insurance is with the broker and so the shipper has only one call to make, to one person or one company that's responsible for those goods. You may have a system whereby he can in turn cover himself by simply ensuring that anybody he hires has adequate coverage, but surely the onus has to be on the broker, because he's the one the shipper is dealing with.

Hon. Mr. Snow: That is the case now, as explained to you a moment ago, if the broker has the PCV licence.

Mr. Philip: If the truck operator has the PCV licence?

Hon. Mr. Snow: No.

Mr. Philip: Oh, the broker.

Hon. Mr. Snow: In many cases that is the situation; the broker has the licence, he may own the trailers and he has the contacts with the shipper. He operates as ABC Transport Limited, or whatever name he operates under, and he hires independent brokers on a mileage basis or a percentage-of-take basis. I'm sure, Mr. Alexander, this is right: Since he is the licence holder, he is the one who has to file proof of insurance with the board.

Mr. Alexander: With the ministry.

Hon. Mr. Snow: With the ministry; I'm sorry. But as for having complaints about getting claims settled for goods damaged in shipment, you can have just as big a problem with other carriers as you can with broker-operators.

Mr. Philip: I don't have any problems; I just call up the trucking association or the haulers' association, and they settle within 24 hours on any claims I've ever had.

Hon. Mr. Snow: Thank you. I'll do that tomorrow morning. My own company has a \$5,000 claim against an OTA member that has been outstanding for six months; so I'll call them.

Mr. Philip: Oh, gosh! You mustn't have any contacts with the OTA that I have, Mr. Minister.

Hon. Mr. Snow: I'll take your advice and contact them tomorrow morning.

Mr. Philip: Joe's just taken some notes; I'll probably settle it up for you tonight.

Hon. Mr. Snow: But I have to tell you there are two carriers involved—one is a Canadian carrier and one is a United States carrier—and there's an insurance company; and to try to get the three of those to decide who is to blame for the damaged shipment is not very easy.

Mr. Philip: I think it shows the need for you to come back with some kind of specific policy, at least in terms of the—

Hon. Mr. Snow: But there are no brokers involved in that problem.

Mr. Philip: You probably are very happy that there aren't or you might have had even more complications.

Hon. Mr. Snow: You can't have much more than being ignored for six months.

Mr. Cunningham: How could they ignore you? I want to know. How could anybody ignore you? You're too big to ignore.

Hon. Mr. Snow: Thank you, Eric.

Mr. Cunningham: This is the last time I'll have a chance to say this to you: You're too big to ignore. I'm sorry; we've interrupted Mr. Philip.

Mr. Philip: Thank you, Mr. Cunningham. On the matter of the fees that the brokers are charging, you mention that they seem to have different rates; but surely there are certain specific kinds of services which are offered by the brokerage firms and which could be determined, and there could be some form of price-setting or price-filing mechanism for that.

I'm told there are all kinds of variations of which certain small truck owners and truck operators are not aware. For example, there's the use of radios which the trucker may be able to rent for \$20 a month; if he goes on his own, he's being charged a fee of \$100 or \$120 by a broker. If he goes to another broker, the broker says: "You supply it yourself." He goes out and he's able to get a good deal on his own. There are all kinds of variables like that.

Surely there is some way of setting up certain variables that can be charged by a brokerage firm and clearly having at least a price-filing system, or maybe even a price-setting system, for the kind of service if you're going to licence it at all.

Hon. Mr. Snow: That's one of the things we will be looking at in looking at the matter of brokers and whether we decide to bring forward legislation that would regulate them in some way. Those are all things that would be part of the overall consideration. I am sure you and I will disagree on the amount of regulation that would be required. I don't think I want to get into setting up regulations or legislation that says how much the broker or the main operator can charge for the use of his radio station or something like that. That is something for the independent businessmen on both sides to decide among themselves.

Mr. Philip: Surely you can have some kind of filing system which I think you and I and probably the trucking industry would agree on.

Hon. Mr. Snow: That's a possibility.

Mr. Philip: One last question: When do you expect to bring in this kind of licensing or registration system and when are we likely to have it before us? Secondly, in dealing purely with the broker who does not own his own trucks, who is in fact a supplier of business or a salesman of business, do you foresee any system whereby he may be able to prove he has a certain amount of business and apply as a witness then on behalf of certain truck operators for, say, a D licence or a licence before the transport board? Is that possible? Are you going to move in that direction or do you see that as being verboten as it has been in the past?

Hon. Mr. Snow: I am not sure exactly of the end of your question. I was engrossed in another conversation here. I am sorry.

Mr. Philip: Supposing I'm a broker and I supply only service, do you foresee any change in the system whereby I would be able to go as a witness on behalf of trucker A, B and C and say, "Yes, I can supply him with X amount of business to deliver telephone directories from Toronto to Mississauga or whatever. I've got this amount of business that I can supply and I will guarantee him so much business"? In that way, I could act as a witness on his behalf in his obtaining a licence and operating authority.

Hon. Mr. Snow: Perhaps Mr. Alexander would like to comment on that as the chairman of the board, but I think anyone is allowed to act as a witness. Any applicant can bring forward anyone he wishes as a witness to his application for a licence. The situation I've heard of recently is the case of the person you're talking about, the procurer of business who doesn't own a truck at all in his own name, but who wants to apply for a licence. I understand that is not allowed.

Mr. Alexander: No, you have to own equipment to have a licence.

Hon. Mr. Snow: He doesn't own any equipment. He's coming forward asking for a licence so that he can use independent truckers to do his movement under his licence.

Mr. Cunningham: He will have some equipment.

Hon. Mr. Snow: He will have to have some equipment to be able to apply for the licence.

Mr. Philip: We are talking about a fellow operating under the name of Mantran Services. I think that's whom you're talking about.

Hon. Mr. Snow: I don't know the man and I haven't talked to him or anything but I have heard of this application.

Mr. Philip: Mr. Alexander knows the man, I'm sure. One of his requests was that he be allowed to come forth and give evidence on behalf of certain truck owners. He said he could supply them with their required amount of business, and that they, therefore, should be granted a licence. He wasn't applying for a licence himself, as I understand it, but he wanted to appear as a witness to show that there was a need for these people to have licences, which is a bit different. I'm wondering is there any change of policy that would allow that kind of testimony. He claims, as I understand it, that his evidence wasn't acceptable.

Mr. Alexander: I don't recall an application.

Hon. Mr. Snow: As far as I am concerned there's no change, but perhaps Mr. Alexander would be able to tell you.

Mr. Alexander: There are two points, Mr. Philip. One, that I'm not familiar with first hand, is that one of Mantran's owner operators did apply for a licence and the Mantran executive testified on his behalf but I would presume his evidence wouldn't be considered direct evidence of a specific shipper. The licence that we would have to award him under our classification system would be one for a specific shipper and we would require that direct support before we could give a licence, but I guess that wouldn't satisfy his requirements because that would bypass him.

The problem with the situation you pose is that for the licensing system there is separation between the person who controls the movement of the goods and the person who actually moves the goods, and the licence has to be in one place or the other. I suppose one solution would be for Mantran itself to obtain a licence and use these other people as owner-operators within its system. Then it could introduce as witnesses, shippers who would give support for its licence.

Mr. Philip: Then you run into all the possibilities of the abuse that we've had in the limousine service.

Mr. Alexander: I suppose. It's a very unique type of application and I know that that situation is one that may service a specific shipping community well but it's hard

to place within the licensing system as we have it today.

Mr. Philip: I think you described the situation very well. What I am trying to get from the minister is whether there is an indication we are moving towards the licensing of brokerage firms—brokerage being in the sense of the suppliers or the go-betweens, brokerage firms in the sense of the select committee on highway transportation of goods, not the people who own trucks—does he see any change in the present system before the board whereby these licensed brokerage firms, in fact, could supply evidence on behalf of X number of people who they might want to have working for them and who would have the licence in their own names before the transport board? That's the statement I wanted from the minister. Are you prepared to go in that direction or not?

Hon. Mr. Snow: I am not prepared to say at this moment. As I said, we're looking very seriously at this whole matter and I suppose, depending on what comes out—it sounds very simplistic just to say you're going to license brokers, but as you look into this it becomes a more and more complicated matter. I do intend to give considerable attention to that. At this moment I can't say when we might have a solution to the problem or have legislation to bring forward.

Presumably, to use your example, if we decide to license brokers in some manner, then I suppose, if it was thought advantageous in the guidelines to the Ontario Highway Transport Board, it could be so stated. I say it could be—I emphasize that—that the licence brokers' evidence would be admissible to the board for the granting of licences. That is a possibility.

Mr. Philip: I can appreciate the difficulties you're having with this. I just pointed out a few of the difficulties that occurred to me and that I have had time to cover in this short period of time, but those are some of the questions we will have to be looking at when you bring in your licensing system, if you do.

I would like to look at a couple of other things, a few of the remarks made by the chairman of the transport board, but before I do that I would like to ask the chairman—perhaps I can pass these over to the chairman and to some of the members of the committee. Eric, you will want one, as will the minister. These are the new rules and regulations of the ICC, the Interstate Commerce Commission.

[8:30]

As you know, the commission has adopted revised canons of conduct governing the behaviour of members and employees. The effective date was January 22, 1979. There are a few of those I would like to discuss with you. You have probably looked through them. In the reforms you are in the process of conducting, I am wondering if you have considered adopting any of these.

As my first question, have you read through these? Are you considering applying any of this kind of code of conduct to your present board?

Hon. Mr. Snow: I haven't read them.

Mr. Alexander: I think this is a revision of the code of conduct that had been passed by regulatory agencies in the United States that I was familiar with. Frankly, I am not familiar with this revision. I am very happy to have it.

Mr. Philip: There are a couple in it that I would particularly like to ask you about and ask whether you have considered them, particularly in the light of some of the problems that we seem to have incurred and which are the problems we are dealing with in the inquiry into the operations of the transport board under your predecessor.

Canon 13, on page 4606, the front page, "prohibits the commission members and employees from having 'any interest in any for-hire transportation company whether or not subject to the Interstate Commerce Act.' It also delineates certain forbidden indirect interest in transportation enterprises."

Canon 13(c) even goes so far as to prohibit "the holding of any interest in a mutual fund or other enterprise which has 'more than 10 per cent of its assets invested in or derives more than 10 per cent of its income from any for-hire transportation company.'" Do you have any code of conduct similar to that at the transport board or are you considering guidelines along those lines?

Mr. Alexander: We have nothing this specific. What we have, and what I think is generally accepted, is a conflict-of-interest understanding that would suggest that anyone holding shares or interests in a transportation company would not be qualified to sit on the Ontario Highway Transport Board. This is for members themselves. The conflict-of-interest guidelines would only cover members because they are the ones who are making the decisions. As to whether or not that should be applied to employees as well, we would have to give some consideration to that.

I am really quite pleased to see the detail they have gone into here, but as soon as you get into detail you get into questions of inter-

pretation. Sometimes it is better, in my view, to rely on the good judgement of the people involved not to put themselves in these positions. But, obviously, they felt in the United States that it was of sufficient interest to do it this way.

Mr. Philip: Our problem is that in a decision you people make, particularly in a major case such as UPS or Greyhound-Gray Coach, we are dealing with decisions that affect millions of dollars. Therefore, as in the United States, it is pretty serious business.

Mr. Alexander: May I just comment on this once more to clarify the situation? We have not required members to declare holdings. I am going on the basic sort of conflict-of-interest precept that I think is held by most members. If it were thought necessary to require them to make these declarations, I think we would have to do it. But to this stage we haven't advanced that far in our thinking. I would doubt very much if many boards in this country have gone into that sort of detail.

Hon. Mr. Snow: Mr. Alexander, do not employees of the board operate under the normal guidelines that a civil servant operates under, such as established by Management Board?

Mr. Alexander: That's right, they do.

Hon. Mr. Snow: I believe that is the only formal guideline there is.

Mr. Philip: The ICC goes so far—and I find this fascinating—as to deal with “post-employment conflict of interest,” as you will see on page 4615. That takes it even a step further. It says in the middle column: “No officer or employee of the United States government, after his or her employment has ceased, shall knowingly act as attorney, or otherwise represent any other person, or make any written [or] oral communication with the intent to influence, on behalf of any other person, in connection with any judicial or other proceeding, application—” and so forth.

It even deals with where you would go after you have been in a position equivalent to a board member. I think that is an interesting area which you may well want to look at.

Hon. Mr. Snow: I know there was some controversy at the federal level not so long ago with a couple of former deputy ministers or senior officials who were acting as consultants, I believe, for American companies. There was some publicity not too many months ago.

Mr. Philip: I believe Mr. Trudeau came down with some guidelines on that as a

result of the matter you are referring to. Was that not the case?

Hon. Mr. Snow: I don't recall any guidelines.

Mr. Alexander: My understanding is that at the federal level they have never been formally implemented. They are simply at the proposal level.

Mr. Philip: The Americans, I gather, have a two-year guideline.

Mr. Gilbert: I wonder how they control that?

Mr. Philip: You certainly wouldn't have a lawyer appear before the transport board within two years.

Mr. Gilbert: You mean the board itself. We're not talking about involvement in other companies.

Mr. Wildman: He couldn't represent someone before the board for two years after leaving the board.

Mr. Alexander: In that regard, the select committee did recommend a six-month hiatus. I think, generally speaking, at the federal level among lawyers the period is considered to be a year.

Mr. Philip: These guidelines or rules and regulations by the Interstate Commerce Commission go in another direction, which I think has been one of concern to a number of us who have looked at the profession and are a little bit concerned about, shall we say, the “chumminess” between the board and certain lawyers and companies. The ICC-revised canons of conduct go so far as to restrict the kinds of social functions or the kinds of socializing that a board member may have with people in the industry.

Mr. Cunningham: That would be the end of the rooftop bar of the Park Plaza.

Mr. Philip: They make a distinction between working sessions and primarily social events. “Bureau and office heads are responsible for approving attendance at working sessions, but approval by the chairman or the ethnics counsellor is needed where primarily social events are involved.”

I guess what the ICC is doing is saying the Interstate Commerce Commission is a judicial body and as such must be aloof or remote from those people it is making decisions about. Whether or not people will be influenced by their social contacts or not, they must at all times never be under suspicion that they are being influenced.

I find some of the ICC rules and regulations, particularly in the light of some of the comments I have heard within the industry—

and I don't know if they are justified comments, but at the least they are the mythology out there—bear some looking at. I wonder for the next estimates or even sooner whether you might have a chance to go through some of these and report back to us on ways some of those may be applicable to your present situation. Could you bring us an update on that?

Mr. Alexander: I would certainly be happy to do that.

Mr. Chairman: You have gone on for 35 minutes. I don't want to cut you off, Mr. Philip, but—

Mr. Philip: May I just ask a few more policy questions?

Mr. Ruston: Mr. Chairman, could I have a little advice on the direction the committee is going? Am I correct in my understanding that the remaining votes must be carried by 10:30 tonight?

Mr. Chairman: That is correct.

Mr. Ruston: It would appear that you have about six more votes to do in an hour and 35 or 40 minutes. Is there any way, I wonder, that we could spread out some time on some of those votes? And have there been any arrangements made that I am not aware of?

Mr. Cunningham: Mr. Ruston, if you are going to raise that point at this time, I would like to raise what I regard to be a point of order which might facilitate more time for the members.

It is my understanding, having looked through Hansard this last couple of days in trying to find an accounting of our trip to Kingston last year, that there is no such record of our visit recorded in Hansard.

I may be mistaken, and it wouldn't be the first time, but I was under the impression that when we went to Kingston last year the time deducted from the estimates was for that purpose entirely—estimates—and that the events would be recorded in Hansard; it was for that reason that the recording equipment and all the rest of it was there.

I must say I was somewhat concerned when I was looking for a record of that trip that day and I couldn't find it. I feel—I don't know how to say this—somewhat abused insofar as we made the trip, we went through in good faith and we spoke into these little things here, and I felt that there might be some record of that event. I am maybe somewhat in error in that I didn't check this out earlier; I should have looked into it much earlier than I did today.

With that in mind, either we are going to have a recording of this tomorrow, and

it will be recorded in Hansard, or I would suggest that we refer to tomorrow as a fact-finding mission only and that we bring Mr. Foley, Mr. Renfrew and the rest of them down here and pursue that at some other time; in other words, if the events are not going to be recorded for the purposes of the record—as they were not last year—then I would suggest that this trip should just be a fact-finding mission and that we ask some questions if we feel like it, but that the time not be deducted from normal estimates. If I could, I would so move at this time.

Mr. Chairman: We agreed, Mr. Cunningham, on a program. I understand that the records of Hansard are not taken out of the Legislature, but you can have a tape recording.

Mr. Cunningham: You have been advised by your clerk, and I don't mean to question your clerk, but it is really up to the committee and the Legislature what happens or what does not happen; Parliament makes these rules and Parliament breaks these rules.

Mr. Chairman: I am prepared to accept what the Clerk of the House orders me to do.

Mr. Cunningham: Mr. Chairman, if that will be your direction, then I would suggest that we make a motion to rescind the time that would be deducted for tomorrow's trip; and that would necessitate bringing Messrs. Foley and Renfrew and the rest of them back here at some other time so that we can discuss, for the purpose of the record, the stewardship of the Urban Transportation Development Corporation.

If I could just digress, I want you to know that I am fundamentally annoyed that the events that took place last year were not recorded for the purposes of Hansard. I just cannot begin to express how annoyed I am that members of the Legislature would be gratuitously involved, using microphones and the rest of it, when there would be no such recording and Hansard would not record what took place. In my view, it borders on deceit.

With that in mind, if there is not going to be a recording of the trip for Hansard purposes, I would move right now, subject to a seconder, that the time that normally would be deducted for tomorrow's trip not be deducted and that be regarded as a fact-finding mission.

Mr. Chairman: This is contrary to what we agreed to, but you have heard the motion. That is all I can say.

Mr. Eaton: Mr. Chairman, is the recording that was taken not kept by Hansard? I understand we have done that before on other committees; we have gone out and we have made a recording, and Hansard keeps it so that we can have it for reference at any time—

Mr. Chairman: That's right.

Mr. Eaton: —but it is not printed.

[8:45]

Hon. Mr. Snow: I recall some discussion on this last year. I don't recall the exact details, but I know recording equipment was at Kingston and a recording was made, but I believe it was understood that this would not be part of the official Hansard.

Mr. Eaton: It is kept for reference if anyone wants to use it.

Mr. Cunningham: That wasn't my understanding.

Hon. Mr. Snow: I don't know who is the keeper of the tapes, but I remember a discussion on this last time.

Mr. Cunningham: I think if there is a recording on tape that it should be transcribed and tabled.

Mr. Chairman: You make that motion then?

Mr. Cunningham: Yes.

Mr. Philip: Would it serve Mr. Cunningham's interests then if we simply stated that we record the proceedings tomorrow and that that be transcribed into Hansard? Would that suit your purposes?

Mr. Cunningham: It would if that were to happen, Mr. Philip. I would have thought that actually would have been the case on the occasion of last year's visit, five months ago.

Mr. Philip: Mr. Cunningham, I can give you the Hansard and maybe you can locate the section where it was discussed, but I can't find it at the moment. I brought it down, but you gave me notice of what you were concerned about just at dinner hour and I wasn't able to go through all of it. I can't find the section on what our agreement was, but I am sure it is in here on November 7 when we discussed that. Maybe the clerk can take this and look through it over the next half hour or so and find out what it was that we did agree on in our last estimates.

Mr. Cunningham: I may be mistaken, but that really was the impression I had.

Mr. Chairman: I understand that the recording tape will be available and if it is the wish of the committee, with the permission of the Clerk of the House, that it be

recorded in Hansard from the tape, I am not the one to rule on that; I will accept the ruling.

Mr. Cunningham: Mr. Chairman, I will tell you what I would do, if possibly the clerk could be of assistance here to us. If the clerk could ascertain whether or not this is permissible without direction by the House, I would withdraw my motion if it is in fact permissible and agreeable; if it is not, then I will leave my motion as it is. Possibly Mr. Richardson might be of assistance to us in this regard.

Mr. Chairman: Our standing orders state: "A full Hansard service shall be provided for all committees considering estimates. A tape recording only shall be made of all other standing committee proceedings unless a committee directs that a transcription be made of certain proceedings." That would cover it, would it not?

Mr. Cunningham: It certainly would, Mr. Chairman, so that Hansard then could be provided.

Mr. Chairman: I would say so; I would interpret it that way.

Hon. Mr. Snow: The committee can certainly instruct that the tape be transcribed and made available.

Mr. Cunningham: While we are on the topic, I am just wondering if the powers that might be would look into what happened to the tape. Along those lines I am just wondering if we could see that last year's tape is transcribed, and that for the purposes of the record those tapes be tabled possibly as an addendum to the estimates: this year, in so far as we are dealing with a corporation that has involved a lot of public money and it at least should be recorded. That being the case, I would withdraw my motion.

Mr. Philip: May I carry on?

Mr. Chairman: Mr. Wildman had a question.

Mr. Wildman: No, Mr. Chairman, I pass. It was just to point out that we could do what you just suggested.

Mr. Chairman: Thank you, Mr. Wildman.

Mr. Philip: Wait a minute. On a point of order, Mr. Chairman, my understanding was that we would have the Ontario Highway Transport Board here until 9:30 and at that time the Toronto Area Transit Operating Authority would be present. I'm still on this vote. I still have a number of other questions. Mr. Mancini, I understand, took an hour and a half on the first vote discussing matters not related to the first vote.

Mr. Chairman: We agreed on half an hour. If we had started at eight o'clock that would be until 8:30. We started at four minutes after eight and we still haven't disposed of this. I'm not trying to tie anybody down. If it's the committee's desire to hear you on this, it's immaterial to me if you want to take until 10:25.

Mr. Cunningham: I just have one question of Mr. Alexander and he knows the question. I gave him notice; that's more than I give his minister. It's up to you, Mr. Philip.

Mr. Philip: All right, carry on.

Mr. Chairman: If there's no objection we'll continue.

Mr. Ruston: I have a very strong objection, Mr. Chairman. I think we're sloughing off a large number of the expenditures of the Ministry of Transportation and Communications. They have been given no consideration whatsoever by the members. Last year, we had the same thing.

I'm not a member of the committee, but I feel, as a member of the House, I have a right to come in and question the minister with regard to certain parts of his estimates. Whether somebody took too long in the first vote or something, you as chairman must decide, not me, but I think my rights have been infringed upon by not being allowed to come in here and discuss for at least a few minutes some of the votes that are still outstanding.

Mr. Philip: Mr. Chairman, on that point of order, you will recall that under the new standing orders there is an onus on the chairman to divide the time among the minister's party and each of the opposition parties. No doubt you've been timing each of the parties. Can you tell us how much time the Liberals have taken so far?

Mr. Chairman: I would say there is about five minutes difference right now with the time you have taken tonight.

Mr. Cunningham: When this argument is over, it will be our turn.

Mr. Chairman: We'll allow you until nine o'clock.

Mr. Philip: Since it's your point of order, the time will be deducted from you, Mr. Cunningham.

Mr. Chairman: We'll allow you until nine o'clock.

Mr. Philip: I'd like to ask some questions about the board's policy. On page four, you made the statement that you establish regular board meetings, initiate a review of the board's organization and so forth, and have a series of meetings. What is your role in

that? Do you review general decisions that have been made to point out the kinds of decisions?

Some of the things you say in your statement are welcome. I'm concerned about some of the policy areas and how you make some of these decisions. For example, when do you decide whether something goes to a public hearing? What are your criteria? Do you discuss that with other members of the board?

In this latest Ontario Highway Transport Board bulletin, there are some transfers of shares. There were three transfers of shares. One was from Frances Winkler to Eric Winkler. Maybe that's a case for a public hearing and you've given it a public hearing. You have another transfer of 10,000 common shares from Marvin Arbuck to Laidlaw Transport, and that went to a public hearing. Then we go over a few pages and we find another transfer of shares, from Nicholas Henshaw to Victor Priestley of Mount Albert, Ontario, and you had no public hearing.

What is the policy in regard to public hearings? Is it something you simply discuss with other board members and decide whether one should come up for a public hearing and this other one shouldn't? Is there a specific policy on it?

Mr. Alexander: To preface my remarks, the policy we've been operating on, was pretty well the policy of the board when I became chairman. We have a procedure which is called the section 8 procedure. I believe most of the things you are talking about involve transfers of shares. There are other items we put under section 8 and they tend to be applications we don't anticipate will receive opposition—public vehicles, school bus applications reinstatements of licences, minor applications. Through experience, we know they won't be receiving opposition from other carriers on these matters.

Under section 8, we have the right to make what's called an in chambers decision, if there is no opposition. What we do is publish notice of a particular application, whether it's a transfer of shares or an application for a new licence, and if there is no opposition, we have the option of making the decision in chambers rather than going to a hearing. I must say, as I think I announced in this paper and in a previous paper, we are thinking of ways of expanding the use of that section so people will not be required to come to public hearings if there is no opposition, and their support can be based upon affidavit evidence.

Mr. Philip: That's good to hear, because I wonder when poor Frances Winkler transferred shares to Eric Winkler how many objections there would be. They are probably saving some tax money there. The Ministry of Revenue is not going to come in with an objection.

Mr. Alexander: Mr. Philip, was that a transfer of shares?

Mr. Philip: Yes.

Mr. Alexander: I would imagine there was some other question that would have to be resolved at a public hearing, and no doubt it has to do with payment of creditors. We will put a transfer of shares to a hearing if there is some question of payment of creditors that has to be resolved by the parties at a public hearing. If they can satisfy us prior to that on the basis of affidavit evidence, and if there is no opposition, it won't go to a public hearing.

Mr. Philip: When you come down with your policy review, would you, as part of that policy review, spell out fairly clearly what situations will be taken to public hearings? I'm glad to hear you're going to cut out some of the unnecessary public hearings, as long as they're published, as long as we have proper notice of them, and as long as there are no objections coming in.

Mr. Alexander: May I just make one comment? The problem we see in reducing the number of public hearings is the paper work and staff work that will engender in the board itself. There is always a trade-off here. In some senses, the public hearing process is more efficient and expeditious than having to prove things by way of affidavit. For some people who are not familiar with the process of affidavits and lawyers and proving things before the board, bringing them to a hearing, particularly if the hearing can be held in their own home town, is a faster way of doing it. There are trade-offs.

Mr. Philip: The other thing I'd like to ask you about is the way in which you print a summary of the decisions. I'm not a lawyer. I thought at first it was my inexperience in not being a lawyer or, indeed, even not being a lawyer practising before the Ontario Highway Transport Board, but in reading some of these decisions I put myself in the place of a lawyer who might be interested in applying on behalf of a client or responding and I really was none the wiser.

There is one here—

Mr. Alexander: Is that the Ontario Transit Association?

Mr. Philip: Yes, this is the OTA.

Mr. Alexander: I'm not sure they reproduced what was in the certificate. Sometimes they summarize the outcome of the decision.

Mr. Philip: It might be useful if there were summaries that at least somebody could read to understand the specific reasons for decisions. In reading these I, frankly, couldn't be persuaded one way or another that you made the right decision. If I were applying for a licence—if I owned a trucking company—or if I wanted to respond against a licence, I really wouldn't be able to understand the policy by reading these decisions.

Mr. Alexander: We've got a lot of work to do in that area.

Mr. Philip: Thank you.

Mr. Cunningham: I'd like to ask that question on tow trucks. What would you do with them if you had your preference?

Mr. Alexander: First of all, it's not my decision.

Hon. Mr. Snow: What was the question?

Mr. Alexander: It has to do with licensing of tow trucks. If I had to make that decision now I would probably delay until I saw what happens with the Metro licensing bylaw. The reason I say that is I'm not completely convinced a bylaw of that kind can be effective. Before I spend any more of the taxpayers' money developing a system for regulating them I want to know exactly how much it's going to cost and whether I will achieve the desired results.

[9:00]

In the recommendations of the select committee report, very little was said about the sort of abuse that people talk of in the tow truck industry. By bias—a strong one—is that, where possible, the tow truck industry should police itself. If there is any way the government can go about doing that, it seems to me it is the sort of solution we should be looking at.

Mr. Cunningham: I sense it would be pretty difficult if we do not have some form of control of entry. I do not mean to unduly restrict their activities, but unless that was there I do not see—

Mr. Alexander: But the system that was proposed in the select committee did not say anything about control of entry, it was just registration.

Mr. Cunningham: I will be very frank with you. I think we studied it—Mr. Caldwell would verify this—in a very cursory manner, and I think much of our concern was based on personal experience or constituency complaints or whatever. In the time that has

transpired since then, I sense it is becoming a problem. It is not the kind of thing, in my view, that will be handled effectively by—

Mr. Philip: Municipal licensing.

Mr. Cunningham: It just can't be, because these particular guys move from area to area. They will cross the Mississauga-Metro border, the Mississauga-Halton border, the Mississauga-almost-to-Hamilton border, sometimes, if there is a particular problem. For the most part, the guys who run these operations are pretty honourable, but there are some who are involved in pretty usurious tactics. We do not like it, we do not need it, it is bad for tourism, it just leaves a bad taste with everybody.

I am sure we have the resources to effect some kind of control. It could be a very casual thing. It might mean almost total freedom of entry as long as it is realized that one has to get a licence from the board. Maybe it could be similar to the way that the hours were arranged a long time ago, an understanding that at least one has that piece of paper and there is something one can take away. These guys can be fined \$100, they can be yelled at, screamed at, but under municipal licensing it is very difficult to take a licence away and it is very difficult to deny a bad actor a licence.

I want to leave those comments with you because I hope that a year or 18 months from now when we discuss the estimates again, possibly we might be moving in some way towards it. I know it is contrary to the idea of deregulation or less regulation in our lives, and, quite frankly, I endorse that general philosophic tone, but I sense there is a lot of abuse with these things, safety problems, and a lot of business practices which I think not too many of us would be particularly attracted to.

One can go into a store and buy a suit of clothes or a pair of shoes and nobody is forced to buy them, but if one is stuck on the Gardiner Expressway, stuck on a highway or out in a snowdrift, one is not in much of a bargaining position. One pays the rates asked in that kind of situation. Once the operator has the vehicle, other legislation applies and one is really in no position to argue with them. It is something I think we should be giving some consideration to.

Mr. G. I. Miller: Mr. Chairman, may I start off by asking the minister if he remembers last year, when there were to be additional subsidies available for replacing deficient bridge structures?

Hon. Mr. Snow: That is on vote 2604; that is the provincial roads program.

Mr. G. I. Miller: I may run out of time. May I get that question in?

Hon. Mr. Snow: The question has to do with vote 2603. Is it carried, Mr. Chairman?

Mr. Chairman: Yes, it is carried.

Vote 2603 agreed to.

On vote 2604, provincial roads program:

Hon. Mr. Snow: Vote 2604 is provincial roads program.

Mr. G. I. Miller: The minister wouldn't deal with that first question then?

Hon. Mr. Snow: The next vote is municipal roads.

Mr. Chairman: We could give you the opportunity, if you stay, to ask that.

Mr. G. I. Miller: I have stayed before and ended up getting squeezed. It is kind of a crucial question, particularly to my own area. I wonder if I might be able to get an answer now.

Hon. Mr. Snow: It is up to you, Mr. Chairman, whatever you want to do.

Mr. Chairman: I think we have to go through this pretty rapidly anyway, because we have seven votes to put through, so if you would just hold that question you will have the opportunity.

Mr. G. I. Miller: Then I will get back to this particular program. What is the ministry's long-range plan for servicing the Stelco Industrial Park which is coming on stream now? Apparently, the sales market is such that they are going back to their regular schedule of 1969 and are going to forge ahead. In the very near future or within the next few years, they could well be the largest steel plant in North America. What are your long-range plans for servicing Port Colborne, Hamilton and the other areas?

Hon. Mr. Snow: In the time available I don't really know how to answer that question. It would take half a day's briefing to brief you on all the plans that affect Hamilton, the Niagara Peninsula area and Haldimand-Norfolk. You have our program book. The only thing I can tell you right now that is in the 1979 program is some work on the Caledonia bypass. That has been on the program for the last two years, as you know. We were prepared to go ahead with it but we did not get the CTC and the federal Department of Transport approval for the railway grade separations.

Mr. G. I. Miller: Do you have them at the present time?

Hon. Mr. Snow: We have the board orders, that is, the CTC approval. We have not received approval from Transport Canada

under UTAP for the funding because UTAP funding is so restricted and falls so far short of meeting the needs of the required grade separations that I believe we had decided to proceed with this contract without any federal funding.

Mr. G. I. Miller: That will be in 1979?

Hon. Mr. Snow: Yes, it is on the program. There are different contracts. The railroads have to build some of the structures and then we will follow up with the grading contracts.

Mr. G. I. Miller: Your ministry does have a tremendous influence on development in Ontario. Do you not think you should be giving some priority to pushing a little harder in order to get this on stream?

Hon. Mr. Snow: In order to get what?

Mr. G. I. Miller: The Caledonia bypass, which is one step in developing a route to the Nanticoke industrial site.

Hon. Mr. Snow: Yes, we have been ready to go, as I have already stated, for two years while waiting on the federal funding. Finally, when UTAP was set up, the limits were \$16.5 million a year for five years. Then in the 1978-79 program that \$16.5 million was cut to about \$4.5 million. By magic wand, Otto Lang cut it from \$16.5 million to \$4.5 million. I believe the 1979-80 figure is \$9 million or in that neighbourhood.

I got a letter out of the blue one day from Mr. Lang saying that because of their restraints UTAP was cut. So there was no way the money available could meet the commitments to municipalities that are building grade separations on municipal roads and provincial roads. We have gone ahead with several of the provincial highway projects without UTAP funding, which means we are paying 100 per cent and there is no money coming from Ottawa. We have decided that because the Caledonia bypass has been delayed for so long that would be one where we would go ahead without federal funding.

Mr. Gilbert: The whole thing one has to keep in mind, as the minister says, is that this covers the municipalities as well as our own.

Hon. Mr. Snow: We decided that municipal priorities had to be higher than ours. We are going ahead on projects on which we put a high priority.

Mr. G. I. Miller: Do you think on highway 6 there is enough right of way from Caledonia to Hagersville and from Hagersville to Jarvis that it could be made a four-lane road at some point in time, rather than

utilizing the new site that has been established? Do you think there would be—

Hon. Mr. Snow: Yes, I can foresee a controlled access highway.

Mr. G. I. Miller: They had a new road selected. I think now with the amount of traffic if you have a four-lane road like the one between Hamilton and Caledonia—which incidentally was resurfaced last year and there's a tremendous improvement.

Hon. Mr. Snow: Yes, we did a section there from where the bypass starts, I believe, up to the Hamilton city limits or thereabouts. That wasn't a reconstruction; it was just a resurfacing, as I recall it.

Mr. G. I. Miller: Yes, a resurfacing, right.

Hon. Mr. Snow: That will not necessarily be the alignment of the new four-lane highway, but I am sure that will be the alignment for some period of time.

Mr. G. I. Miller: In order to make it a better access road, if there is enough right of way for four lanes from Caledonia to Hagersville and from Hagersville to Jarvis, it would certainly speed the traffic up; I don't know if there is enough right of way there to do it.

Hon. Mr. Snow: The highest priority right now is to get the two lanes of the future four-lane bypass of Caledonia built.

Mr. G. I. Miller: Yes, and then you would still have a bottleneck. I just wanted to know what your long-range plans were. Do you have any plans?

Hon. Mr. Snow: The long-range plans are for a four-lane highway on the new right of way.

Mr. G. I. Miller: Yes. But in the meantime?

Hon. Mr. Snow: We don't have anything scheduled for widening of the existing right of way.

Mr. G. I. Miller: Mr. Minister, again I feel your ministry has the greatest influence, as I understand it.

Hon. Mr. Snow: All right, you can feel what you like but I only have so many dollars and—

Mr. G. I. Miller: But I watch the development of the Queen E. I would like maybe to go back over the history of that a little bit. When Mitch Hepburn was here I recall it was a nice scenic—

Mr. Ruston: Before your time, Gordon.

Mr. G. I. Miller: What that a while ago?

Hon. Mr. Snow: That's a while ago, yes. Interjections.

Mr. G. I. Miller: I remember going down—it was quite a nice scenic road, and there was the opportunity to have a few stops on the way to Toronto. Now the only place you can stop is at the weigh scales at Oakville. If you get a little bit sleepy—and incidentally have happened to get a little sleepy on the way home—I have stopped there to have a snooze.

Hon. Mr. Snow: Have you now?

Mr. G. I. Miller: But as I came in today, and it was a perfectly clear day, there was a four-car accident at the Humber bridge. We got around by the Exhibition grounds and there was another three-car accident here. This was in perfectly clear weather and traffic not all that heavy coming in at four o'clock in the afternoon.

Hon. Mr. Snow: What are you suggesting?

Mr. G. I. Miller: I am suggesting that your policies over the years have developed that lead to such an extent there are six lanes—on each side have two lanes on either side from Hamilton to Toronto. Is that good planning or not? I am questioning that. There are a lot of places to get a break on the way and it is contributing to accidents.

I will go a little further. Right now, how much money are you spending to upgrade around Oakville and to hook into highway 403? That has to be very costly. I am saying we are spending a lot of money on that highway and we are forgetting about some of the outlying areas.

Hon. Mr. Snow: No, that is not the case. There is money being spent there, certainly. The 403 length is being constructed between the QEW at Oakville and 401 in the vicinity of Malton Airport. I can't tell you what the total cost of that project is; it is many, many millions of dollars.

But that is being done to try to alleviate some of the capacity problems on the Queen Elizabeth between Oakville and Toronto. This is more difficult to do and would require adding more lanes, the destruction of housing and all the things that would go along with major widening of the QEW. It's six lanes now—three lanes in each direction and there are some long-range plans for eight-laning certain sections of the Queen Elizabeth. There are plans for eight-laning certain sections of 403 in the Burlington-Hamilton area. When a road gets to its capacity and there is no alternative corridor, what does one do other than try to get the best capacity out of the right of way that is available?

Mr. G. I. Miller: Maybe I am a little critical of government policies that let it get to that point.

Hon. Mr. Snow: How do you stop it?
[9:15]

Mr. G. I. Miller: I think again that your ministry is very influential in the development of Ontario.

Hon. Mr. Snow: Yes, I agree with you on that, but how do I stop the traffic from building up on the Queen Elizabeth Way? I don't know whether you were here or not the other night when I quoted some of the figures on the number of vehicles registered in Ontario. It's now over 5.1 million or something and 10 years ago it was about 3.5 million. I mean, there is about a 50 per cent increase in about 10 years. I am not just sure if those are the exact figures.

Just a moment, I don't want to have something on the record that is wrong. I do have that. I had better check that figure. These start out in 1903, when there were 178 vehicles. When Mitch Hepburn built the Queen Elizabeth Way—about 1936 I believe that was—there were 611,000 vehicles. In 1960 there were 2.2 million; in 1967 there were 2.9 million vehicles in the province; in 1977, the last figure available, there were 5.1 million vehicles. So in 10 years it went from 2.9 million to 5.1 million. So 10 years ago it was only 60 per cent of what we have now.

With the buildup in the number of vehicles on our highways naturally we have capacity problems. The budget of this ministry over the years has just not been sufficient to build the additional capacity we need to handle that number of vehicles. I make no apologies for that; that is the situation.

Mr. G. I. Miller: I think that in order for other areas to develop and to perhaps have job-creation programs, highway building is one area where this could be done, in order to develop outlying areas.

Hon. Mr. Snow: I won't argue with that.

Mr. G. I. Miller: I just wondered what your plans were.

Hon. Mr. Snow: That's the argument I have been putting forward to my colleagues in cabinet and to the Treasurer ever since I have been in this ministry.

I also pointed out the other evening that back in the 1950s and 1960s the budget of my ministry made up about 30 per cent of the total provincial budget. Today it's 7.4 per cent of the total provincial budget.

Mr. Wildman: Agriculture is dropping even faster.

Hon. Mr. Snow: If I were getting 30 per cent of the provincial budget, or 31.7 per cent as it was in 1955, my budget would be \$5 billion this year instead of \$1.1 billion.

Mr. Wildman: You fellows just don't care about agriculture.

Hon. Mr. Snow: There could be a lot of highways if I had a budget like that. And you wouldn't have those problems; you'd have your four-lane highway from Hamilton to Nanticoke.

Mr. G. I. Miller: Okay, Mr. Minister, if you are doing your best I guess I'll have to accept that. I still feel that is a crucial area.

Hon. Mr. Snow: I'll tell you another figure, if you want it. I think it was in 1973—one of the figures I looked up. In 1973 the provincial roads construction budget was \$175 million. Last year it was \$225 million, or something in that neighbourhood. To have done the same amount of work in 1978-79 as was done in 1973 for that \$175 million, I would have to have had over \$300 million, and I had \$225 million.

The first year I was minister the total ministry budget was \$980 million, or so; this year it is \$1,134,000,000. It's gone up each year, but we can't build as many roads. The costs have escalated—the cost of asphalt, the cost of energy, the cost of so many things. I am just not getting my share of the money, that's all.

Mr. G. I. Miller: I would have to support you in what you are trying to achieve anyway, and I think it would be good for Ontario.

Hon. Mr. Snow: I have a lot of plans. If you want to know what my plans are I could talk to you all night on them. But getting the money to implement them is beyond my control.

Mr. G. I. Miller: What about highway 3, then, from Dunnville to Chambers Corners? Is that slated for 1979?

Hon. Mr. Snow: Yes, it's in your program book.

Mr. G. I. Miller: Yes. And the contract will be let this year?

Hon. Mr. Snow: Just a minute. I probably have a date. I don't have the dates on the 1979 program in that book and I don't have the other one with me. But it's advertised right now, I'm told.

Mr. G. I. Miller: Okay.

Hon. Mr. Snow: I hope there's no problem over trees because we've treated that section very tenderly down there.

Mr. G. I. Miller: I appreciate that. They did have a meeting—

Hon. Mr. Snow: We had meetings last year too, but we still got hell over the trees as you know.

Mr. G. I. Miller: Yes, that's very true.

Are there any plans for linking up highway 403 to highway 6 in the near future?

Hon. Mr. Snow: Not in the near future, no. Hopefully, if we ever get the new four-lane road built up in that area it will swing around by the Hamilton airport. That is what I have in mind. I don't know what my planners have in mind. But it would swing around in that vicinity and join highway 403 and would provide access from 403 down to the airport as well as right on through to Nanticoke.

Mr. G. I. Miller: But there is no time frame on it?

Hon. Mr. Snow: There's no time frame on it. We've got enough projects with time frames on them to use up all the money we're going to get for a number of years, so there is not much use in trying to put time frames on something we can't see the money for.

Mr. G. I. Miller: Thank you, Mr. Minister.

Mr. Ruston: I was wondering about capita construction. I see, since I travel it so much you're putting in 86 kilometres of sub-drain along the 401. Are you finding that the drainage is not satisfactory at this time because it's undermining the road?

Hon. Mr. Snow: It's not undermining it.

Mr. Ruston: I notice you put it in last year when you resurfaced an area in the Chatham-Tilbury area and now you're putting in this long strip, so there must be some deficiency in the construction.

Hon. Mr. Snow: It's to get better drainage for the base underneath the concrete paving. It's not an overly expensive procedure. In fact, the one contract we let this year, notice, came in considerably under the estimate. Basically, it's to improve the drainage and to protect the concrete pavement from heaving.

Mr. Ruston: I think the material came from my riding so it must be good material and that's why you got a good price on it. Low price and good material.

Are you doing this with any new construction? Are you putting that in now?

Hon. Mr. Snow: You're getting into a technicality. Maybe Mr. Gilbert would like to comment on that. I haven't got my iron rim on tonight.

Mr. Gilbert: I would just say this is one of the problems with concrete pavement. We have been looking at concrete pavement this year and working with the industry on it. Right now the economics of it puts it really out of reach as a comparison to hot mix. However, we don't, as a ministry, want to be tied in completely to asphalt, particularly with the uncertainty in the oil industry.

Mr. Ruston: No, I was wondering about the drainage.

Mr. Gilbert: Those are the kinds of things we have to do to improve our concrete pavement. And when you put all these together they bring up the cost of concrete pavement considerably. That's what I'm getting at. Right now we're working with the industry to try to come up with a design to provide us with the most economical concrete pavement that can stand up.

Hon. Mr. Snow: We try to use some degree of balance between concrete paving and asphalt paving because we've got the two types of contractors. If we swing totally to asphalt paving, in a few years there will be no concrete pavers around because their equipment will have all worn out and won't be replaced. Then you'll be tied into asphalt and if you want to go back to concrete it will be very difficult. Concrete is a natural resource we have lots of here in Canada, but as Mr. Gilbert has pointed out, it has its problems in its weaknesses and in its benefits.

Mr. Ruston: Think of the traffic that has been on some of the old roads and how they've stood up. I was looking at the road that runs right in front of my place. It was built in 1926.

Hon. Mr. Snow: That was before Mitchell Hepburn wasn't it?

Mr. Ruston: That's right. There was an interesting picture in the local paper of the trucks used and everything. It was very interesting. Maybe I should send it to you. That road is still being used with very little resurfacing. I think it has been done only once with asphalt, but it is getting bad now. That was 50 years ago and a lot of travelling has been done on it.

Mr. Gilbert: One thing you have to keep in mind, too, are the loads, particularly on our controlled access highways. They are the highest anywhere in North America, as you know.

Mr. Ruston: I had a question about E. C. Row.

Hon. Mr. Snow: That's under this program.

Mr. Ruston: In the routeing of it, as you are aware, highway 2 comes in west of

Tecumseh and turns into Tecumseh Road. I think the plans are to close that particular part of it into Tecumseh Road and go on through E. C. Row. That's the plan. E. C. Row is to join on to highway 2.

You're probably aware that the town of Tecumseh is concerned. I think they've sent a letter to Mr. Edwards in London saying that if it was closed off there it would place quite a burden on them. They would like to see that remain open.

I don't know if it's possible to keep it open indefinitely, maybe at some time you might be able to, but they seem to be quite concerned as to what it would do to the traffic to close that off on the Tecumseh Road.

Hon. Mr. Snow: You've got highway 2 coming into Banwell Road and Lauzon Road and so on.

Mr. Ruston: Yes. It turns on Tecumseh before you get to Banwell Road.

Mr. Gilbert: I guess it just isn't marked here.

Mr. Ruston: Is Banwell Road supposed to be the outlet to Tecumseh Road from the new E. C. Row?

Hon. Mr. Snow: I don't have that on this map.

Mr. Philip: You wouldn't know if you don't know where Tecumseh Road is.

Hon. Mr. Snow: To my knowledge, I haven't had any correspondence from Tecumseh.

Mr. Ruston: I guess they sent a copy of it to the senior project manager in London and a copy to me.

Hon. Mr. Snow: It's probably being worked on. There's a technical advisory committee that is made up of representatives of my ministry out of the London office and the city of Windsor, basically, that is responsible for the planning and working out of all of these details. We have a major program on the E. C. Row. We have the normal program that we've been carrying on, spending \$4 million or \$5 million a year on that highway, and because of the Ford plant going in the priorities have all changed.

Windsor doesn't want us to slow down on the part that we've been doing, but all of a sudden they want us to go like hell on the other end. We're now in the process of planning and implementing about a \$30 million speedup program in there and that's why we can't build the roads in Haldimand-Norfolk, because we're putting it all into Windsor.

Mr. Ruston: Yes, I see. We'll see that they get that information.

Hon. Mr. Snow: We have so many seats in Windsor we want to make sure the roads are all paved.

Mr. Wildman: Mr. Chairman, I have a question in regard to the policy on the installation of Bailey bridges on highways.

Hon. Mr. Snow: We usually put them in when the old ones fall down.

Mr. Wildman: That's exactly what I was going to ask you about. Is it the policy, when you have a bridge that is judged to be unsafe and can't carry traffic, to install a Bailey bridge until such time as you can construct a new bridge?

[9:30]

In other words, let's say you determine in the fall of the year that the bridge is inadequate, that the deck is no good, and that you should install some sort of temporary structure over the winter until the next year, when you can then go to a contract for construction—

Mr. Gilbert: Or reinforce it.

Mr. Wildman: Or reinforce it—whatever you decide. Is that your policy?

Mr. Gilbert: Yes, if it's a structure, as you say, that—

Hon. Mr. Snow: Are you talking about a provincial highway or a municipal road?

Mr. Wildman: A provincial highway.

Hon. Mr. Snow: We have a stock of Bailey bridges we keep, and many times they are made available to municipalities in emergency situations.

Mr. Wildman: I realize that.

Hon. Mr. Snow: But we would use them on our own roads if there were a major failure. I don't know of any happening, but maybe there has been.

Mr. Wildman: This is not a major one, but I'll use the example of one in my riding, where a bridge was judged by the Ministry of Transportation and Communications to be inadequate. I believe there weren't any Bailey bridges available in the immediate area, and they had to go to either Toronto or Thunder Bay if they were going to get one. So they decided they would not put in a Bailey bridge, but they would close that bridge and people would have to go the long way around the other way. They figured they would be able to do the repairs and the reinforcement by the end of January; then it was the end of March; now it's the end of May. There is one businessman in the area who claims his business has been detrimentally affected by the fact that it's more difficult to reach his establishment than

it was when the bridge was installed, because people have to go past and then come a long way back.

It just seems to me that perhaps they should have installed the bridge. I went to MTC about this, and I was informed that not only was it difficult to get the bridge but also they were a little leery about installing the bridge, they said, because there is a tendency in northern Ontario, when you install a Bailey bridge on a secondary highway, that it becomes a permanent bridge. If they did install a Bailey bridge—this is the MTC talking to me at the local district—maybe they would not get the funds to repair the bridge and you might end up with a Bailey bridge, a one-lane bridge, for the foreseeable future. I know there are a number of Bailey bridges that are serving as bridges on secondary highways in my riding, and they have been there a long time. So maybe they were right.

Hon. Mr. Snow: There are a number I know of that are serving as permanent bridges.

Mr. Wildman: Exactly. So I wonder what your reaction is to that position that it was perhaps better to close the bridge for some months until such time as they could reinforce it rather than install a Bailey bridge which might become the permanent bridge.

Hon. Mr. Snow: I don't know. Obviously they didn't think it was going to take as long as it has; it may have been an economic thing, or the cost of hauling a Bailey bridge to the site, setting it up and what not. Perhaps they thought they could make the temporary repairs with a small closure and they found out it was a bigger problem than they had anticipated.

Mr. Gilbert: Carrying on, Mr. Wildman, with the other comment you made about the district saying—I presume it was the district—

Mr. Wildman: Yes, it was. It was Mr. Smrcka; I am not criticizing him for that.

Mr. Gilbert: No—saying it maybe was a problem. Let's face it, a number of times you can repair a bridge, not necessarily putting up an entire Bailey bridge, but by reinforcing it with Bailey bridge sections and actually prolong the life of that structure.

To go back to what we talked about a short while ago, if we have only a certain amount of money and we can't extend the life of a bridge, then that's the kind of thing we would have to be looking at. I know our district people, and I guess all of us would like to build a new bridge. But if you can extend its life for several years, then

that's the kind of thing we would have to look at.

I don't want to play down the importance of our secondary roads but, as you know, a number of them require improvements. We are the first to admit that. We would like to have funds to improve all of our secondary roads, but there are a lot of them which need a great amount of improvement.

Mr. Wildman: I would agree with you there.

I have a bit of a problem, and I have raised this before in both the MTC and the Ministry of Natural Resources estimates debates, in determining the relationship between the two ministries in terms of setting priorities. I know the ministries state that the MNA decides what the priorities are after getting recommendations or reports, analyses, by MTC. Then they determine the priorities and then MTC implements the program. But last night I was at a meeting in a small town in my riding, the town of Searchmont, at the end of highway—

Hon. Mr. Snow: That's the Ranger Lake road, eh?

Mr. Wildman: I wasn't going to raise the Ranger Lake road, but since you've raised it, it's been closed.

Hon. Mr. Snow: Searchmont is on the Ranger Lake road.

Mr. Wildman: Well, it's just off it. The Ranger Lake road has been closed because of flooding; it is every year, but that's not specifically what I want to deal with. I want to deal with the part that isn't in that kind of condition but is in terrible condition.

I was at a Ministry of Northern Affairs meeting on another matter in this town, and at the end of the meeting a gentleman got up and raised the problem of the condition of the road. The gentleman from the Ministry of Northern Affairs said, "Yes, you're darned right, that's one of the worst roads I've had to ride over in my life. Why aren't you people pushing for improvements to this road?"

He seemed a little taken aback when I attacked him and said, "Look, you guys are the ones who are responsible for determining which roads are going to be built and which ones are going to be repaired. You're the ones who are supposed to tell MTC which roads are priorities, so what are you doing sitting here telling the taxpayers they should be pushing MTC to improve the road?" He seemed to be a little taken aback and didn't reply to me.

I happened to know, and obviously he didn't know, although he was from the

regional office in northeastern Ontario for the Ministry of Northern Affairs; that you are planning to do some improvements to eight miles of that road. Originally, I understand, you were planning to do it this year; there was going to be a contract this year, it was all going to be done. You weren't doing what would be the major improvements to the road because the topography and terrain in that area are such that if you were to straighten it out, for instance, it would be at such a terribly high cost it would be almost prohibitive, but you came out with estimates of something like \$3 million.

Now you're looking at perhaps, instead of doing it all in one year as you originally planned, letting the contract later in 1979, and doing it over two or maybe three years.

I would like to know, first, what you intend to do on that road but, more importantly, what is the role of Northern Affairs in making a decision, not only on whether the road should be repaired in the first place, but whether the road should be repaired all in one year or over a two- or three-year period? Who decides that?

Hon. Mr. Snow: I think the whole system is working very well between the two ministries. The money for the northern Ontario road construction program is in the budget of the Ministry of Northern Affairs. The Ministry of Northern Affairs takes a lot of guidance and recommendations from the region and district staffs of my ministry, especially as far as maintenance work or resurfacing is concerned. We say when a highway has to be resurfaced and, basically, they go along with it.

For major reconstruction the Ministry of Northern Affairs establishes the priorities and we supply them with the estimates for each project; what it would cost, how long it would take to build. We give them some advice on these matters, but really, they establish the priorities. The way it works really, is the senior staff of MNA and the senior staff of MTC come up with a recommended program of construction, which is presented to Mr. Bernier and myself for ratification or finalization before it is printed in these books.

Mr. Wildman: Who makes a decision on a revision then? Is it a joint decision, as you are suggesting?

Hon. Mr. Snow: Just a moment. As far as the date of the call goes, whether it's their northern program or our southern program, the dates of calls have to be—although they're established a year ahead of time—anticipated dates of call. Many times those have to be

adjusted on a day-to-day basis because of our cash flow. We start a bunch of jobs, or have some carryover work—there's a large amount of carryover work from one fiscal year into the next, so we've got to take into consideration the cash flow to complete those jobs. Then there are the jobs that are called during the winter. January and February tender calls are awarded and construction starts, so we have to allow for the cash flow for those. Then we have jobs planned to be called in July or August or September, but we have to monitor the whole program as the summer goes along.

If we have an early spring and dry weather the contractors get going. They go like hell and we have to pay them, so that speeds up the cash flow. If there is a strike for a month on a number of big jobs that slows down the cash flow. The financial end of the ministry monitors this. A job which was to be called in August or September may be slid back to November if our cash flow won't allow it; or if the cash flow will allow it could be brought ahead to June or July.

We have to make those decisions once the priorities are set. If the cash flow is too much, we have to slow down some jobs or delay some tender calls. If they are major jobs or there are major delays, of course we would consult with the Ministry of Northern Affairs as to their priorities as to which jobs should be delayed and which shouldn't.

Mr. Wildman: Am I correct in saying in that particular instance you intended to start early this year at one point, but when the estimate came through you decided to wait until the fall and do it over a two-year or three-year period?

Hon. Mr. Snow: We are running into another problem this year. We're finding a larger than anticipated increase in construction costs, and consequently some of the jobs are coming in a little higher than we anticipated. Of course, that eats into our budget and the cash flow will be faster, and that may mean some jobs that were to be called in November won't be called until January or something like that. We are the ones who are responsible for those budgets and I think the history of the ministry has been that expenditures compared to estimates come out very closely on these programs.

Mr. Gilbert: For Searchmont, because it is \$3 million and because of all the reasons the minister has mentioned, we asked our staff to look at several options, as far as the \$3 million job is concerned, to see if we could call it, as you have said, in parts or whether we should just hold the whole thing back.

That's the type of thing we would discuss with the Ministry of Northern Affairs.

Both staffs agree, certainly as far as Searchmont is concerned, that we should be doing this as soon as we can, and that is what we work towards. Here again, you're talking about a \$3 million job that, as the minister says, we've got to phase in.

Mr. Wildman: There is no question it's got to be done soon. Even the northern affairs officer was rattled by the trip across the road.

Hon. Mr. Snow: There's no use him rattling his sabre and saying to the people up there they should put pressure on us to do the road. He had better talk to his own minister.

Mr. Wildman: I told him that, I defended you on that one. As you may be aware, the one major industry in that community is Weldwood Lumber. That company has sent a letter to the government indicating they are now having difficulty getting truckers to truck the products over that road because of the danger of breaking axles. It's a major problem, in that if that company has difficulty they will have to ship everything out by the ACR and that's going to be a problem for them. I imagine the truckers will continue to go in there, but they sure don't want to. It's the sooner the better on that particular one. I suppose it should be raised with the Minister of Northern Affairs (Mr. Bernier), but a controversy has arisen over the proposal by the city of Sudbury for improvements to both the road network and rapid transit between Sudbury and the town of Elliot Lake. The chambers of commerce of Elliot Lake and Blind River, the mayor of Blind River and representatives of other communities on the north shore have reacted very much against this proposal

[9:45]

I understand the problems they have in Sudbury, but this is an example of perhaps a somewhat self-centered approach by Sudbury in seeing Elliot Lake as a kind of an adjunct to Sudbury. It is a way of dealing with Sudbury's problems rather than developing the whole north shore with a view to the expansion of Elliot Lake; seeing Elliot Lake as a centre and trying to develop transportation to interrelate the development of Elliot Lake to the rest of the north shore.

I'm not opposed to improving transportation routes between Elliot Lake and Sudbury, but it would seem silly that that would be a heavy priority in terms of mass transit when you have projects such as the Granary Lake Road that has been talked about for so long.

Mr. Gilbert: I wondered when you were going to get to that.

Mr. Wildman: I knew you were waiting for that one. It could be completed, as has now been suggested both by the community of Elliot Lake and Blind River; you can't argue that one community wants it and the other one doesn't, both have said they are in favour of it now.

Hon. Mr. Snow: We'll build it the day the Ministry of Northern Affairs says it has the money and it's a top priority.

Mr. Wildman: All right. Now I can blame the Ministry of Northern Affairs, I'll accept that. I just want to say I welcome the projects that have been instituted in the north in terms of improvements to Highway 17 north and on; but again you have the problem of secondary highways. I know the problem of funding, but can you give me some indication of how much money you're spending on secondary highways in the different ranges, the ones, the fives and so on as opposed to the main roads?

Hon. Mr. Snow: I don't have them. We could get that kind of information for you. We'd have to go through the whole northern Ontario program and break it down.

Mr. Gilbert: In fact it's right here in the book.

Mr. Wildman: Oh yes, I know; you just haven't added it up.

Hon. Mr. Snow: The dollar values aren't in those contracts so we'd have to break it down. Did you want it just for Sault Ste. Marie district or for all of the north?

Mr. Wildman: I would like it for all of the north.

Hon. Mr. Snow: You've got to remember every dollar I spend on people doing this is a dollar that won't be spent on asphalt.

Mr. Wildman: That's sort of a left-handed approach. I just want to say we have a number of secondary roads and tertiary roads as well that need repair. I would like you to look at things like the Searchmount Road on highway 552 west, highway 638, the Tressalton River bridge and so on. Is that going to be built this year?

Hon. Mr. Snow: There are two and a half miles of it in your green book.

Mr. Gilbert: Thessalon River bridge and Leburn Creek bridge and culvert.

Mr. Wildman: That's right. Thank you very much. Don't forget about those secondary roads; we need them.

Vote 2604 agreed to.

On vote 2605, provincial transit program:

Mr. Chairman: I understand the personnel of TATO are here. Mr. Cunningham, do you wish to speak?

Mr. Cunningham: Yes, I have a few things I'd like to say.

Mr. Chairman: Then Mr. Renwick, I believe.

Hon. Mr. Snow: Will Mr. McNab and Mr. Leach come forward please?

Mr. Cunningham: I just have a few questions with regard to TATO. The first relates to the extension of facilities for the physically handicapped which is something I think all members of the Legislature are concerned about. While I appreciate, Mr. McNab, that in many cases we are using track bed that doesn't belong to us per se and there are some difficulties in that regard could you give us some kind of policy update as to what you are doing to improve facilities for the physically handicapped?

Mr. McNab: The situation hasn't changed markedly, other than at Union Station, of course. There are elevators being provided in the new facility and the platforms are being raised considerably. Our real problems are at the outstations where they are tied right into the railroad problem. Furthermore, with our type of operation, particularly from Oakville in and from Pickering in, we have loading conditions that are precisely parallel to those encountered on the subway. We're talking about extremely heavy crowds. It's almost impossible for a severely handicapped person, unless they have assistance. This is generally the situation throughout North America where changes for the handicapped are being considered. We're finding, from our research, that even in places where they have spent tremendous amounts of money, particularly in the mass transit field, the facilities are practically going unused because of the people's fear of the great crowds.

Mr. Cunningham: But on a long-term basis are you optimistic about improving the facilities?

Mr. McNab: I would suggest, in the long term, if we get electrification and higher loading, there's a possibility of improvement. It's extremely difficult, of course, on our bus routes. No matter what you do on the bus there's the difficulty of the handicapped getting to the buses.

I would direct your attention to the minister's policy on this matter, and the government's policy. Generally speaking there has to be a special type of transportation for them, and I think we're largely in the same position.

Mr. Cunningham: I was unable to attend your last meeting in Hamilton. I don't want to be parochial, but I'm interested in what you're doing and what you intend to do there.

Mr. McNab: Pardon me, there was one point. In our regulations now a handicapped person travelling with assistance only pays one fare. In other words, the person who's assisting them gets on too. Sorry for interrupting.

Mr. Cunningham: That's all right. I once heard a story about a fellow who went on a bus to London with a seeing eye dog and they wanted to charge him for the dog. They were serious.

Hon. Mr. Snow: We wouldn't do that.

Mr. Cunningham: No, I didn't think so. With regard to Hamilton—

Hon. Mr. Snow: You can have your dog with you to get home if you like, Eric, and we won't charge you an extra fare.

Mr. Cunningham: Listen, I had a dog that used to make it home. I have some questions. I was unable to attend your meeting in Hamilton—I think we were working through the estimates of this ministry at the time—but I was wondering if you could bring me up to date. If I could digress, I'm always hesitant to ask about the extension of facilities into Hamilton because it's usually just before an election. We're having an election right now, so I'm not certain we need a provincial one at this time. However, I'm wondering if you could bring me up to date with regard to what is going on in Hamilton, and your intentions as to the facilities there.

Hon. Mr. Snow: Based on the results of PEI, I'm not surprised you don't think we need one right now.

Mr. Cunningham: The results in Hamilton would remain the same, I assure you; which would mean zero for you guys.

Hon. Mr. Snow: Oh I'm not so sure.

Mr. McNab: I'm sorry, what was the question?

Mr. Cunningham: The question was I'd like to know what your plans are for Hamilton as far as GO Transit is concerned and what's going to happen there in the next year or so.

Mr. McNab: I think the major thing that's going to happen is the provision for a new bus terminal in the downtown core. The other thing is the rationalization of the bus service in the triangle between Hamilton and Burlington, which is in the advanced

stages of the planning, I understand. We haven't had any success, that we can announce at this time at least, on VIA working with us to provide for the transferability of tickets. The situation basically is the same. There just doesn't appear to be commute traffic to warrant additional commuter train beyond Oakville, or at least Burlington. We even find, for instance, and it really illustrates the point, that where we have a train leaving at the same time as an express bus the bus is out-carrying the train.

Hon. Mr. Snow: You told me one day that at the same time as a certain train was leaving in the morning from Hamilton, with ample capacity on it, all kinds of space there are buses leaving at the same time which are carrying equal or more passenger than the train.

Mr. McNab: I think there are about twice as many.

Mr. Leach: About 75 on the train, 150 on the bus.

Mr. G. I. Miller: What is the reason for that? Is it because of the station facilities?

Mr. McNab: No. I think, really, it is the Hamilton is not a centre for commuting to Toronto. I know Mayor MacDonald was saying last week when we were over there "Thank God, it isn't a commuting centre. Really, most of the trips are social and business trips. There wouldn't be a corporal guard of people commuting on a regular basis; and with the cost per passenger carrying 75 passengers, dragging all the steel with the tremendously high operating cost, and user charges that the railroad has, it's just impossible. I'm sure that any research will bear out that with the bus service and the limited train service combined, there is no other intercity pair in Canada, or even in North America, where there is such a high level of departures and arrivals between the two cities. I'm not too sure of the figures but it must be 30 or 4 a day.

Mr. Cunningham: What is the situation with regard to Burlington?

Mr. McNab: We expect the first contract for the Burlington station will be called this June, I believe, with compulsion this fall.

Mr. Renwick: Mr. Chairman, apart from my continuing interest in the GO station at DeGrassi Street in the riding of Riverdale which seems to be a logical place to have a GO station, I want to talk, really, about the exchange of correspondence we've had at the meetings the minister has participated in concerning the way in which you were

about the termination of your arrangement with CN on the ticket takers and the security personnel—about 80 people altogether of local 46 of the CBRT and GW.

I understand there was no contractual obligation or no collective agreement between TATO and the union, and of course that the union was a union of the CN; but the net effect of your calling for the pre-qualification submissions and then the net effect of your granting a tender was in fact to cause significant employment problems for the 80 people involved. I know that a number of them were at or near retirement, and I know they have whatever protection is available under the clauses of the collective agreement between the railways and CBRT and GW.

I think my first question is really to the minister. When you decide there are changes to be made, or when you know there are changes going to be made by TATO or elsewhere in your ministry, assuming that business dictates that you must make a change, for whatever those business decisions are, have you any policy with respect to requiring contractors to have fair-wage policies? Do you have a fair-wage clause that you require to be a part of the tendered requirements on any submissions made to your ministry?

Hon. Mr. Snow: Yes. There is a general fair-wage clause; certainly when I was in the Ministry of Government Services there was a fair-wage clause in every tender there; I presume there is at MTC also.

Mr. Gilbert: Maybe Mr. Wilkes could speak to that?

Mr. Wilkes: There is a fair-wage clause in the road contracts. It is actually under review now by the Ministry of Labour. There has been such a clause for some time; it varies with the zone the road is located in.

Mr. Renwick: Would it be possible at some point for me to get a copy of the fair-wage clause that is in use in the region that Metropolitan Toronto is in?

Hon. Mr. Snow: Certainly. We'll send it to you.

Mr. Renwick: Specifically on TATO, do you have any policy with respect to fair-wage clauses in any tenders that are submitted to you, specifically in this case?

Mr. McNab: In this case, no, but these were in as a proposal; and as I pointed out to you we wouldn't have accepted any bid that was less than we are paying our own staff, which is guided by the civil service rates.

Mr. Renwick: Let me explore that a little bit. Who in fact got the award in this case?

Mr. McNab: It wasn't awarded.

Mr. Renwick: It hasn't been awarded yet?

Mr. McNab: I think the minister can speak to that.

Hon. Mr. Snow: I don't know, Mr. Renwick, whether you were in the House the other day when I made a statement—

Mr. Renwick: Yes, I was.

Hon. Mr. Snow: —that it has been decided there would not be an award of a contract for the ticketing agents and that TATO would employ the ticketing agents as direct employees of TATO, rather than through a contractor. Although the contract was negotiated with CN, the new 10-year agreement provides for TATO to take over the ticketing responsibilities. That contract was negotiated over a period of about 15 months, and I believe was signed last October.

Following meetings that were held, it has been decided that the taking over of the stations now handled by CN employees would be on a three-phase basis. This was suggested, actually, by the union people we met with.

Mr. Renwick: Mr. Roussel, who met with you, I guess?

Hon. Mr. Snow: No. I believe the actual suggestion, when we had our meeting to work out a phasing basis, was from Terry Meagher; is that his name?

Mr. Renwick: Yes; he is secretary-treasurer of the federation.

Mr. McNab: Roussel was at the meeting; he agreed.

Hon. Mr. Snow: Yes, Roussel was at the meeting. In any case, I met with the vice-president of the Great Lakes region of Canadian National Railways and with the officials of the Toronto Area Transit Operating Authority over the three stages. In the first stage, which will be about July 1 of this year, approximately one third of the employees will be supplied directly by TATO, mainly at Union Station I believe, and at the Canadian National Exhibition station.

Mr. McNab: Yes; they are the same group.

Hon. Mr. Snow: At Union Station and the CNE station, when they move into the new premises, which are outside of railway property per se, those ticket agents will be direct employees. Then, one year from July 1, 50 per cent of the remaining ones will be phased out; and two years from July 1 the balance.

I have been assured by Mr. Williams of CN that there will be no problem in absorbing those employees over that period of time. They have, I think, 4,000 employees in that group in the Toronto region, and by attrition many more vacancies than that are created. Over the next two years and three months or so, any of those employees will be able to apply for postings that are available through the union. CN have assured me they will do everything possible to accommodate these employees with as little inconvenience to the employees as possible.

Mr. Renwick: I appreciate that more detailed explanation. Perhaps I was listening to your statement with a preconceived idea of what it was saying, but do I understand now that these employees will continue as direct employees of TATO?A?

Hon. Mr. Snow: No, I didn't say that. These employees are employees of CN.

Mr. Renwick: Yes, I understand. They will continue to perform their jobs?

Hon. Mr. Snow: No, presumably they will not. They will continue to perform duties for CN. I understand about 24 of these employees are either at pension age or very close to it. Those employees will be given the opportunity, as I understand it, to take their retirement, if they wish, without any loss in their pensions.

Mr. Renwick: But the remainder will continue to perform the same duties they have been performing?

Hon. Mr. Snow: One third will be phased out on July 1, one third a year from July 1, and the other third two years from July 1.

Mr. Renwick: How will you go about replacing those?

Hon. Mr. Snow: TATO?A will hire employees directly.

Mr. Renwick: Directly; without having any particular contractor?

Hon. Mr. Snow: There will be no contractor.

Mr. Renwick: That will be on a permanent basis, then?

Hon. Mr. Snow: Yes; they will be public servants.

Mr. Renwick: Would you give consideration to using a fair-wage clause in the future when you move to contract out, which seems to be growing in popularity?

Hon. Mr. Snow: The policy of the government is that there is a fair-wage clause in all government contracts.

Mr. McNab: We have it in our construction contracts.

Mr. Renwick: I understand that it is in the construction contracts. I have never been able to understand that it has been a policy everywhere in the government, when they decide to contract out work, that the contractor is required to adhere to a fair-wage clause. If he is required to do so, I am quite happy to hear that.

Hon. Mr. Snow: I had a letter the other day from the Minister of Labour—I forget the details of it now; it was a somewhat lengthy letter—giving me an update of the review by the Ministry of Labour of the rates that are in the fair-wage clauses.

Mr. McNab: For a lot of the employees that we have in TATO?A, and the ones we anticipate hiring in TATO?A because of this arrangement, our salary rates are very close and are patterned after the civil service rates; in no case will they be lower.

Mr. Renwick: I can understand that. If you had followed your original plan to contract it out—

Mr. McNab: Yes?

Mr. Renwick: —would the contractor who was awarded the contract be subjected to any test of fair wages before you decided to accept a particular proposal for the performance of those services? That was what worried us. Obviously the CN was going to be one of the bidders, but because of their collective agreements, it was quite likely any contractor submitting was going to come in under the CN because of the wages, that was our concern.

Hon. Mr. Snow: Not only because of wages, but possibly because of overheads as well.

Mr. Renwick: That may very well be, but we were concerned it would be a low-wage contractor who would get the nod because he could quote lower than the CN.

Hon. Mr. Snow: I understand it was a government decision that these employees in the ticketing should be government employees.

Mr. Renwick: I understand the evolution of the problem and the solution. I understand we have to be in the House, or I have to be in the House; excuse me.

Thank you, Mr. Chairman.

Vote 2605 agreed to.

Vote 2606 agreed to.

On vote 2607, municipal roads program:

Mr. Ruston: I was just noticing, Mr. Chairman, that in the last hour of the estimates we spent \$1,038,000,295. I thought that was pretty fast, in an hour. Would any municipal projects show here?

Hon. Mr. Snow: No; those are only King's highway projects.

Mr. Ruston: There are a couple of problems in local areas. The first problem I think of is in the town of Tecumseh. I am sure you know the mayor of Tecumseh.

Hon. Mr. Snow: Here we are back at Tecumseh. Never heard so much about that place until Don Lappan became the mayor of Tecumseh.

Mr. Ruston: Yes, he is a great fellow. What Tecumseh did for a number of years, and other municipalities have done the same, was when they were proposing to put in sewage disposal systems they withheld doing any work on the roads. That was wise, because they would only be tearing them all apart when they dug to put the sewers in. Now that the sewers have been in for about three years, they feel they should be able to get a little money because of their low requirement in years past. I know you have a problem with money now. Maybe four or five years ago they could have got it easily, but it wasn't wise to do roads at that time. They feel the fact they can't get a subsidy now is holding them back. They are up to 50 per cent now. Have you any way of helping that situation?

Hon. Mr. Snow: I have had two meetings over the last few months, one relatively recently, with the municipal officials from Tecumseh, about—I forget the name of the street—St. Pierre Street, would it be?

Mr. Ruston: St. Pierre Street, that is a long one that is in bad shape.

Hon. Mr. Snow: You can see I am a little familiar with Tecumseh.

Mr. Ruston: Yes, you are.

Hon. Mr. Snow: We have worked out a program. That was their main priority, although they had some other projects. We have worked out a program with them. In fact I have a stack of photographs of every pothole on the street. I suggested they take some of those pictures on some other potholes.

Mr. Ruston: Oh not really.

10:15]

Hon. Mr. Snow: In any case we have worked out a program with them. Sure, I would like to have given them the full funds to do the whole job in one year, but with the limits we have and the priorities, and looking after some of the bridges that your friend here is going to ask about in the next question—we have to give a higher priority to supplementary requests for bridges this year than we do for road work; however I

have still worked out a program, which I think is satisfactory to the town, to do some of this work over two or three years, in stages. On St. Pierre Street, we suggested they divide it into two. Last year when they came in to see me I was able to give them a little supplementary to pave—

Mr. Ruston: Riverside Drive, wasn't it?

Hon. Mr. Snow: —Riverside Drive, I think it was, to resurface it. Then when they came back this year we were able to work out a—

Mr. Ruston: That's fine. What about inter-connecting roads? On number 2, we had to hold back the one in Belle River for a couple of years. Are we able to go ahead this year with that one?

Hon. Mr. Snow: Yes, last year Belle River wanted to do the bridge and the connecting link. We approved the bridge last year. They were a little bit upset because I wouldn't approve the rest of it, but I just didn't have the money. That's on the program this year.

Mr. Ruston: Last year, of course, there was a strike and it held the whole construction program up for four months; so they were tied up, but no one could avoid that. That's fine. That's all I have.

Mr. G. I. Miller: The minister came out with a program for replacing deficient bridge structures last year. Have you a report on that program?

Hon. Mr. Snow: We had the assessment carried out; practically every municipality in the province carried out an engineering assessment of all their structures. A lot of deficient structures were identified, some that have to be replaced, some that have to have repairs or preventive maintenance carried out. Some municipalities, because of the topographical nature of their municipality, have a lot more problems than others. I have suggested to those that have a lot of problems that they try to establish a five-year program to meet at least the largest of their needs. Set their priorities accordingly and we would try and fund their requests as best we can.

For years, many municipalities have been replacing structures out of their normal program, and I would expect them to continue to do this. There is not enough money available to do all the structures on a special program, because many of them can be done under their normal program. I stated we would try to give a higher priority to replacing structures when we are allocating supplementary funds than, say, to paving St. Pierre Street. We have to have some supplementaries for municipalities for other purposes too.

I tried in our budgeting and allocation process to get some additional money added

to my budget to speed up this program so we wouldn't have to steal money from roads to give a higher priority to the bridges. Unfortunately, the Treasurer has seen fit not to give me that extra money, so it's going to be a longer process, but we are going to try to meet as many needs as we can over a period of years.

Mr. Gilbert: There is still a healthy bridge replacement program going on with what money there is, and putting a priority on it.

Mr. G. I. Miller: Can I ask one specific question in connection with the Black Creek Bridge at the city of Nanticoke, for which they made a request for \$332,000. Is that going to be granted?

Hon. Mr. Snow: Is that a supplementary request?

Mr. G. I. Miller: Yes.

Hon. Mr. Snow: We are going to be looking at those on Thursday afternoon. I have Thursday afternoon set aside to do nothing else but look at requests for supplementaries; I am sure we have 10 times as many requests as we have dollars, so we will try to sort out the highest priorities.

Mr. G. I. Miller: I would just like to point out that this does connect Port Dover, and it is a very deficient structure at the present time. It does give an alternative route into Port Dover, which again is under some pressure from the development in the area; it does give the alternative to the lift bridge. I don't know if you are aware of this or not, but it is a new structure and they have had many problems with it.

Hon. Mr. Snow: It seems to me that bridge did have many problems a few years ago. I remember some of my predecessors answering questions about that.

Mr. G. I. Miller: They still have them. I think, too, they are trying to cut back on the amount of time it is raised.

Hon. Mr. Snow: Port Dover is quite a place. They have a Lions' Club down there that has a good fish fry every year.

Mr. G. I. Miller: That's correct. Have you ever been down to one?

Hon. Mr. Snow: I went one year.

Mr. G. I. Miller: Why can't you come down again?

Anyway, I would certainly hope that you would give thought to it.

Hon. Mr. Snow: If it is in we'll be looking at it, hopefully, on Thursday afternoon.

Mr. Ruston: Mr. Minister, there was some problem between the county of Essex and the

city of Windsor regarding the city's contribution to suburban roads and ministerial adjusted assessment. Maybe because I live in the county I believe very firmly the city should participate fully in the suburban roads.

Hon. Mr. Snow: It seems to me it was Windsor that sent me a resolution wanting to do away with the suburban roads contribution.

Mr. Ruston: Oh yes, I'm sure they did; but I spoke in the House a few days ago when they had that new grant the minister approved for Windsor. One of the things I said was that they could use some of the \$3 million they picked up from unconditional grants, apparently because of the deficiency payments of the past number of years. But since they are the beneficiary of industry, I think they definitely should participate in the suburban road contribution to their maximum as far as I'm concerned. I don't mean to be parochial, but I think it's fair they should.

Hon. Mr. Snow: I'm sure you would never be parochial.

Mr. Ruston: After all, the business, the industry and the malls are all in Windsor where our people go to shop. In one village there isn't even a place where you can buy a loaf of bread. The stores have all closed and everybody goes to the shopping malls. They're getting all our business in the city, so to be fair they should pay their full amount.

Hon. Mr. Snow: I didn't agree with their resolution anyway.

Mr. Ruston: I'm glad to hear that, Mr. Minister. But the county of Essex was concerned about the assessment. I got a copy of the letter, as did all the other members in the area, and they were going to have a meeting with you, I believe. This letter was dated February 23. I don't know if they've had a meeting since.

Hon. Mr. Snow: I don't recall that. Mr. Browning can maybe answer that.

Mr. Browning: I believe the reply has gone to Windsor on that within the last week or so.

Mr. Ruston: Okay; I just wanted to bring this up because I feel the suburban roads should be a fair proposition. Essex has agreed to shorten them up and to bring them in closer to the city, but I think it's a responsibility of the city to share in those roads, because they definitely do reap the great advantage of them.

I don't think, Mr. Minister, I have anything else. It's about time there's going to be a vote in the House, so I want to say I appre-

late the co-operation I receive from you and our officials at any time. Since the road system to me is a very important part of the whole economy of Ontario it is one of the things I am quite interested in, and I feel you're doing a pretty good job. As you say, you're restricted in money, and of course we don't want more money; however, that's another matter.

Hon. Mr. Snow: We aim to please, but we could please more with more money.

Mr. Ruston: Yes.

Votes 2602, 2607, 2608 and 2609 agreed to.

Mr. Chairman: This completes the study of the estimates of the Ministry of Transportation and Communications.

The committee adjourned at 10:25 p.m.

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 Filip, E. (Etobicoke NDP)
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 Sow, Hon. J. W.; Minister of Transportation and Communications (Oakville PC)
 Vleneuve, O. F.; Chairman (Stormont-Dundas-Glengarry PC)
 Vldman, B. (Algoma NDP)
From the Ministry of Transportation and Communications:
 Alexander, B. B., Chairman, Ontario Highway Transport Board
 Ewning, G. R., Director, Municipal/Provincial Transportation Branch
 Cbert, H. F., Deputy Minister
 Iach, A. F., Managing Director, Toronto Area Transit Operating Authority
 Nab, A. T. C., Chairman, Toronto Area Transit Operating Authority
 Vlkes, J. B., Executive Director, Highway Engineering Division



No. R-6

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Tuesday, May 8, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, MAY 8, 1979

The committee met at 8:13 p.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD

Mr. Vice-Chairman: We have a quorum. We will proceed with the estimates of the Ministry of Agriculture and Food. All three parties are represented. I believe the minister has an opening statement.

Hon. W. Newman: I will try to keep it reasonably brief. I realize we have time to discuss many matters. During last year's estimates you didn't have as much chance as you would have liked to have had to discuss the critical issues, in my mind. I look forward tonight to a few opening remarks.

Mr. Nixon: How is the royal commission coming along?

Hon. W. Newman: I understand a certain member is going to talk about that tonight at some length. I won't get into that. I got it from the Globe and Mail, as a matter of fact.

Mr. Riddell: Is that why the press are here? I didn't think they took that much interest in anything.

Mr. Nixon: No, they don't.

Hon. W. Newman: I could take the whole 20 hours to talk about the ministry and the kind of work we're doing and the great staff we have. But I don't intend to do that tonight. I would just like to make a few remarks.

I'm sorry I'm late. If I look a little haggard, there was a fire alarm in my building and I had to go back upstairs; I had to walk up 11 flights, which made me realize how bad a shape I'm in. Any of the staff who look a little tired had to walk up 11 or 12 floors, some of them only two floors.

Mr. Eaton: Start a fitness program.

Hon. W. Newman: I sure got my experience tonight.

Mr. Riddell: Those three bills you introduced today must have been pretty taxing on you, I would think.

Hon. W. Newman: Yes, I'm sure they are. I'm sure you'll support them all today, because they're good bills.

Interjections.

Hon. W. Newman: Mr. Chairman, in my opening remarks I would like to get involved in the ministry. I'm not going to cover all the factors in the ministry because I think it's a great ministry and I've got lots of material here to talk to you about.

For the 1979-80 fiscal year, the Ministry of Agriculture and Food has estimated its budgetary requirements to be \$196,807,000. This is about \$2.4 million up from our estimates for the 1978-79 fiscal year, although there was a supplementary estimate later in the year, mainly for payments under the corn stabilization plan, with which I'm sure you're all familiar. I took it through the House. We also have a few problems with the capital grants program, which we said we would honour until April 2, because March 31 was a Saturday. They are much higher than we anticipated; we have to deal with those this year too.

Over the next few years, agriculture will face a completely new set of conditions, some of these we can predict with a fair amount of confidence; others, of course, will be entirely new. Those we can foresee include the need for more pollution control, the rising costs of energy, a continuing inflationary price spiral, and a very real possibility farm incomes will not keep up with rising prices. This is one of my major concerns.

This year's budget includes allocations to deal with some of these problems before they become severe. It also contains funding for our programs of long standing, as well as our new programs, because many of the problems agriculture has faced in the past will remain with us well into the 1980s.

However, I would like to point out, Mr. Chairman, that this government's approach to agricultural programs is a self-help approach. We do not believe in making assistance available to the farmer and then tying it with so many strings that it ends up being a no-help program.

I would like to highlight a few of these programs, and I'll begin with income stabilization.

Ontario instituted its first income-stabilization program in 1977. In 1978 we introduced a three-year plan. The experience we have gained with these plans, and our experience

in the cow-calf program have suggested certain changes. Beginning this year, we will introduce an amended three-year plan—which we think is a very good plan.

Under the new arrangements, the producer will pay a fee equal to one third of the total possible payout. If a year goes by and there's no payout, the fee for that year will be applied against the fee for the next year. In some cases, that could mean there would be no fee collected in the second or third year.

Each participating producer will have his own account in the fund—an individual account. If there is a balance in his account at the end of the three-year plan, he'll get a refund which will include any interest earned on his or her money. The Ontario government will continue to contribute two thirds of the fee.

The new plan guarantees the farmer either a payout or a refund of fees and interest. It will also make accommodation of the proposed federal plan much easier. If an acceptable federal plan—and I say if—is introduced during the next three years—

Mr. Nixon: Are you questioning the ability of Gene Whelan to introduce an acceptable plan?

Hon. W. Newman: No, but I don't deny the—

Mr. Nixon: The one you got was written by Jack Riddell.

Hon. W. Newman: I tell you, when John Wise takes over we'll have a much better situation.

Mr. Kerrio: John who? Is he related to Joe who?

Mr. J. Johnson: The new Minister of Agriculture.

Hon. W. Newman: Yes—after May 22.

Mr. Riddell: And if he happens to be from western Canada, God help the farmers in eastern Ontario.

Mr. MacDonald: I'm with you, Mr. Minister.

Hon. W. Newman: May I carry on? Thank you.

Mr. MacDonald: The rest of them aren't, but I'm with you.

Mr. Eaton: There's one thing sure, if he's from western Canada we don't have to worry about his being a Liberal, do we?

Mr. MacDonald: No, you're right.

Hon. W. Newman: The new plan guarantees the farmer either a payout or a refund of fees and interest. It will also make accommodation of the proposed federal plan much easier. If an acceptable federal plan is

introduced during the next three years, the stabilization commission will simply pay back to farmers whatever money is in their individual accounts and let the federal program take over.

Mr. Nixon: It's pretty hard to lose on that.

Hon. W. Newman: That's right. We are concerned about the farmers.

For 1979-80 there will be four stabilization plans: corn, soya beans, white beans and winter wheat, which is new this year. Last year a total of 2,700 corn producers participated in the stabilization plan, 450 soya bean growers and 235 white bean growers. With two and a half million acres planted to corn it is Ontario's biggest crop. Another million acres is planted to the other three crops for which plans are available. This will give you some idea of how crop insurance has grown since it started and I will touch on that later. Stabilization is beginning to grow as well.

The experience with corn over the last two years demonstrates quite clearly the boom-bust situation which the stabilization program was designed to cover. In 1977 prices fell so low that a substantial payout was made from the fund. The total cost of the stabilization program was \$8.2 million, that was the anticipated provincial payout basis for corn alone and is in addition to the supplementary estimates. This year we are allocating \$7.7 million for the stabilization programs in Ontario. Of course we won't know until well on into the year exactly what will happen.

Crop insurance is another program aimed at the boom and bust problems of agriculture. The farmer pays half the premium, the government of Canada pays the other half and the province carries the administration costs. The popularity of the program grows steadily. So far this year more than 28,000 endorsements have been received, up more than 2,000 over last year. A total of 1.6 million acres is insured with crop insurance liabilities projected at \$275 million.

Mr. Riddell: You can't convince the white bean growers on that program.

Mr. Eaton: They have the highest percentage of any.

Hon. W. Newman: We will talk about that. For the 1979-80 fiscal year we estimate the province's costs for administration to be around \$2.1 million for this particular insurance program.

One of our oldest programs, field drainage, is also one of our most successful. Looking simply at the experience of the last 10 years we find that the government has committed \$110 million to loans for tile drainage

installations. That's a lot of money, but the farmers who received this assistance committed at least \$135 million of their own. This has been an important factor in Ontario's tremendous productivity gains over the years.

This year we intend to allocate a total of \$28.9 million to drainage programs. This figure includes \$2 million which is the province's share of drainage programs in eastern Ontario. I must say, at this point we have not signed an agreement under the general development agreement for agriculture either in northern or eastern Ontario which the Treasurer (Mr. F. S. Miller) is still trying to sort out.

For grants under the Drainage Act we have set aside \$5 million, an increase of \$500,000 over last year. For tile drainage debentures, the sum is \$18 million. There is \$3.9 million allocated to interest subsidies; this is paid on the farmer loan program. A farmer can get a 10-year loan from his municipality to finance up to 75 per cent of the cost of his tile drainage installation. As you know, the interest rate is six per cent and the province pays the difference between six per cent and the current borrowing rate.

Mr. J. Johnson: What is the current borrowing rate?

Hon. W. Newman: Right now, about 12 to 13 per cent.

Mr. Nixon: That's what I charge.

Hon. W. Newman: Anyway the government gets a little cheaper rate because we have such a good credit rating; therefore, it doesn't make it so difficult.

There has been an important change made to the farm tax reduction program. To take into account inflation and other factors, the qualifying value of farm produce was raised from \$2,000 to \$4,000 in 1978. The program rebates half the municipal property taxes paid by farmers who produce \$4,000 worth of agricultural goods annually.

Farm tax reduction is our largest single item. For 1979-80 we estimate it will cost \$53.6 million. This is a smaller increase than last year, reflecting the raise in the minimum production value required. This is not necessarily the final figure. The government is committed to pay 50 per cent of this. This figure could go up considerably, depending on the tax structure across the province.

March 31, 1979, saw the end of our 12-year capital grants program. Over the years, some 90,000 Ontario farmers took advantage of this program to renovate and expand their operations through capital improvements.

Funding for the whole program came to approximately \$165 million.

A couple of months ago, maybe a little less than that, the government announced a new program of grants, the five-year Ontario Farm Productivity Incentive Program. This program is aimed specifically at retaining soil productivity and reducing erosion. Eligible projects include grassed waterways, manure storage facilities, and alternative livestock watering facilities. Projects to demonstrate erosion control are also included.

In addition the incentive grant program will be available to farmers who did not use their full entitlement under the capital grants program. Such farmers may apply for grants to assist in the building of livestock barns, milk houses, poultry barns, silos, greenhouses, tobacco kilns and maple syrup facilities.

To qualify, a farm must produce—and this is the important factor—\$8,000 worth of agricultural goods annually. The maximum grants for erosion control, manure storage and production facilities is \$3,000 with a maximum of \$1,500 for stock watering facilities.

For the first year of this program, we have allocated \$12.8 million. This also includes some carryover from the old capital grants program. I should stop here and clear that for you because in the old capital grants program which we honoured until March 31, which went over to April 2, we thought we were going to run somewhere in the neighbourhood of \$23 million. There was \$10 million in the budget, and we obtained some additional funds from the Treasurer last year to pay off some of it. As of tonight the best figures we can come up with are that the program and the applications in are worth over \$25 million. Part of the carryover from the capital grants program to pay off all the backlog will use up part of the \$12.8 million, so there will not be \$12.8 million for the new program. We couldn't get a handle on the figure at the time we were working on this and when the budget came in, but the Treasurer did give us an additional \$8 million last year towards this program because we took a commitment we said we would live with.

Mr. Nixon: That puts your increase at \$1.3 million, doesn't it?

Hon. W. Newman: It puts the increase at an awful lot more than that when I get finished—and I can show you the other costs that are involved, the money we get from other ministries, the amount of money we got from ODC, the \$200 million program of Mr. Miller and I could talk about the Minister of Government Services (Mr. Hender-

son). We could play around with the budget all night long if you want to play around with it to show you how much we spent on agriculture.

Mr. Nixon: It is not that—

Hon. W. Newman: I am quite prepared to do that when you want to do it because I get a little bit tired when you say we can cut agriculture. Sure we can doctor the budget. We won't do that. We play it the way it should be played. You asked the question so I am answering it.

Mr. MacDonald: You answered it before it was asked.

Mr. Nixon: I think I pushed a button.

Mr. MacDonald: You think you are in a nuclear station, that's your problem.

Hon. W. Newman: The agricultural colleges of this province have an enviable record. In recent years we have seen an extremely high percentage of their graduates going straight into jobs upon graduation. With only a small exception most find work in agriculture or in related fields.

It is a pleasure to tell you I was in New Liskeard last Friday talking to the graduates and to meet those young people. One should be proud of the kind of graduates going out of our agricultural schools, because they are doing a great job.

Enrolments at our colleges of agricultural technology have increased more than 50 per cent during the past five years. To accommodate this increased enrolment we have undertaken an extensive planning program to improve facilities for teaching, research and services programs at all of our institutions. More than 25 projects are at various stages of development at the present time.

The \$5 million plus we have allocated for the four colleges and the University of Guelph represents an investment in the future of agriculture in this province through its most important resource, our young people, and I think this is very important.

[8.30]

While I am on the subject of educational estimates I would like to mention that the agricultural museum at Milton will be officially opened on June 8. I am sure you have all been waiting for this date and I would like to invite you all there. It will be open to the public seven days a week until October.

With the advance of technology the face of agriculture is changing dramatically. The site at Milton will ensure that our real rural heritage, from pioneer days down to recent times, is remembered and preserved.

I certainly recommend a visit; I am sure you will enjoy it. For the members of the

Legislature, I am sure we can find a way not to charge you to get in, although if you would like to make a donation you are welcome at any time.

Research projects financed by the ministry have produced a wide range of improvements in agricultural varieties, techniques and facilities. Ontario's extensive agricultural research program covers studies and projects in the areas of soil management; water, soil and nutrient conservation; legume, forage and seed production; pest management systems; energy production, use and conservation; animal disease prevention and control; and quality improvement of both plant and animal products.

Our research estimates this year have been set at \$22.6 million and it may be inadequate, but it is almost twice as high as any other province in Canada and we are the leading agricultural province in Canada, one third of the total agricultural production in Canada. I just want you to remember that, and I could quote figures in states in the United States, which we will get into later on.

Mr. McKessock: We are losing fast to Quebec.

Hon. W. Newman: We are losing fast to Quebec in research dollars?

Mr. McKessock: No, in agriculture production.

Mr. Villeneuve: A hundred and sixty-four million dollars from DREE compared to \$25 million here is quite a difference, too.

Mr. Nixon: Why are we losing out?

Mr. Vice-Chairman: The federal government gives them that money.

Hon. W. Newman: You will note that there is an item of \$800,000 in the research estimates.

Mr. Nixon: Not a five-cent piece for a Liberal government.

Hon. W. Newman: You will note that there is an item of \$800,000 in research estimates. This is an amount which has been allotted to agriculture research from the Provincial lottery fund. A similar sum will be allocated each year for the next four years. This sum will be used for special research in the areas of food supply, food safety, nutrition and health.

Mr. Kerrio: I knew I would get to those guys, to put that money to good use.

Hon. W. Newman: Buy your tickets.

In the year just ended the marketing division of the ministry underwent major reorganization. A market development branch was established to handle domestic and export promotion campaigns, including the very

successful Foodland Ontario program. The Farm Products Marketing Board and the Ontario Milk Commission were reconstituted with a common membership composed entirely of ministry staff. This change was made at the request of the marketing boards which are regulated by the board and the commission. Day-to-day administration for the board and the commission is carried out by the farm products marketing branch. A separate Farm Products Appeal Tribunal was set up and, Mr. MacDonald, if you weren't in the House today you probably heard my apology to you.

Mr. MacDonald: I am always there to hear apologies from you.

Hon. W. Newman: Yes, but you weren't there.

Mr. MacDonald: I was there. I came in as you were in your third sentence.

Hon. W. Newman: Is that right? You didn't hear what I said in the first one then.

A separate Farm Products Appeal Tribunal was set up to hear appeals from decisions of the Farm Products Marketing Board and the milk commission. Because expertise in marketing is crucial to the functioning of the tribunal, former members of the marketing board and the milk commission were appointed to this board, plus one other person.

The farm products inspection branch and the milk industry branch were brought together into the farm products quality branch.

The Ontario Food Council was abolished and its trade practices responsibilities transferred to the Ministry of Consumer and Commercial Relations. A new market development branch, established in February 1979, has taken over the marketing and promotional functions of the food council.

The objective of this branch is to increase sales of Ontario-produced food products in domestic and international markets, through co-operative programs with food producers, processors and manufacturers. These programs will include, for example, domestic advertising, consumer information and import replacement programs. We will also continue to send export missions abroad and encourage foreign buying missions to come here. When we get into the estimates we may discuss that in some detail, because we have been very successful in this area.

Our domestic promotion program, Foodland Ontario, has already had numerous successes. These include an increase of 16 per cent in sales of greenhouse cucumbers, and an increase of 15 per cent in turkey sales over the previous year, following Foodland and producer-group advertising programs. Also, the Foodland symbol is being used by

a number of major food packers and processors. Foodland Ontario will continue as the umbrella for domestic marketing programs.

Ontario currently imports approximately \$1.5 billion worth of food. More than half of that could be produced here. Our goal, or our objective, is to replace a significant amount of those imports with domestically produced food. I had a meeting today for two hours with somebody who wants to get involved in that and several meetings with other individual private companies that want to get involved.

On the other side of the trade picture, preliminary estimates for 1978 indicate Ontario's exports of agricultural products were about \$750 million. Last year we continued our export program through sales missions to several foreign countries, including the United States, the Caribbean and Eastern Europe. We also made some advances in the European Economic Community.

Nineteen seventy-eight was a record year for tobacco exports with 103 million pounds being sold abroad. This year, following successful negotiations with the industry, our exports are expected to continue at the same record level.

Our export program also includes encouragement for foreign buying missions to come to Ontario. Several groups from Japan came to Ontario in 1978 and nearly all made purchases. It is very interesting to note that the year before I think we had one group come over. This time we had six groups come over, representing about eight of the major chain stores in Japan. That will give you some idea of the impact of going out and selling; if you want to sell your products, you have got to work at it.

Mr. Nixon: That was a good trip over there.

Hon. W. Newman: Do you know something about that trip over there? There was some press in the paper, but I will tell you something that wasn't publicized.

One Japanese businessman sat across the table and he said, "Look, forget about the interpreters; I speak English." When we got finished he said, "I have got to agree that in the agricultural area you can beat us, you can outproduce us, because you have got the technology and you have got good people to do it." He admitted it, but that never got in the newspaper. That is what he said.

I will tell you this, we have a big market there in Japan, a great big market, because—I don't say it unkindly—they are only about 53 per cent self-sufficient there. There is a tremendous market there and our sales in

1979 will show the export sales that are going there.

Of particular interest to the Japanese were wine, pop wines particularly, cheddar cheese and prepared foods for institutional use.

Mr. Nixon: They have been buying wine?

Hon. W. Newman: Yes.

Mr. Kerrio: Our good Niagara wine.

Hon. W. Newman: Yes.

This year we will be stepping up our export market development by establishing full-time representatives in two major world centres—London and Tokyo. We will also be carrying out market studies for certain products in other countries to identify new market potential for Ontario agricultural products.

Mr. Nixon: Is Marvin Shore taking that on?

Hon. W. Newman: I am not sure whether the fellow is here tonight, over here from England, who has taken on the job for us. I don't see him here.

To follow up on these successful programs we are earmarking about \$2.4 million for promotional campaigns and other market development activities in 1979-80.

The few programs that I have talked about tonight, together with many more which my ministry runs, are designed to support our most important primary industry, which is agriculture, an industry which I think is the biggest and best industry in this province and in this country, one which I am dedicated to try to support and help.

Mr. Chairman, I hope I kept my remarks brief tonight, although maybe not as brief as I anticipated, but I am sure as we get into the discussions tonight and we hear from the other members we can have a very interesting 20-hour discussion which I look forward to.

Mr. Riddell: Mr. Chairman, I am always pleased to participate in these sessions on the Ministry of Agriculture and Food estimates, for it reminds me of old home week. I look around the room and I see people like Ken Lantz, the Deputy Minister of Agriculture, who had his beginning in Middlesex county, and I am reminded of Gordie Bennett, who was the former Deputy Minister of Agriculture, who had his beginning in Middlesex county.

Mr. Nixon: He is a consultant now.

Mr. Riddell: I am reminded of Ed Beggs, the previous Deputy Minister of Agriculture, who had his beginning in Middlesex county. I look back and I see Vern Spencer back there, who worked in the Middlesex agricultural representative office.

Mr. MacDonald: They all left.

Mr. Riddell: Do you know, Mr. Minister, where these fellows all got their training? From no one other than the great W. K. Riddell, who was the agricultural representative in Middlesex county for 36 years.

Hon. W. Newman: That's right. A great man.

Mr. Riddell: Yes, he is. I am entirely pleased to think that you and former ministers would recognize the tremendous training and the ability that these people have in order to bring them up into head office to assist you.

Mr. Nixon: We need a minister with similar training.

Mr. McNeil: I was there a month.

Mr. Riddell: One hardly knows where to begin in the discussions of the agricultural expenditure estimates this year, as it has been two years since we have been able to scrutinize the expenditures in any kind of a detailed fashion.

Hon. W. Newman: Whose fault is that?

Mr. Riddell: Last year we used most of the estimates time to consider the annual report of the Ministry of Agriculture and Food—

Mr. Nixon: That was good.

Mr. Riddell: —and more specifically the discounting practices and allowances in the food industry. After a fairly lengthy inquiry, the resources development committee recommended that further investigations be done into the pricing practices of retailers and processors in the food industry. As a result, the Minister of Agriculture and Food very reluctantly decided to have the matter further investigated by a royal commission.

I personally feel that Judge Ross was an appropriate appointee to head the commission, considering his past experience and knowledge of the food industry, but unfortunately due to illness Judge Ross was not able to carry on and Judge Leach was appointed as his substitute with Rodney Hull continuing his responsibilities as chief consultant.

I might just say that I am less than satisfied with the investigation to this point in time, as I feel the commission adopted the attitude right from the very beginning that there was nothing wrong with the discounting and allowancing practices of those engaged in the food industry. Rather than look for irregularities, they have been more inclined to put the onus on the Ontario Federation of Agriculture to prove that such practices are not in the best interests of the food industry in general and the consumer in par-

ticular. It would appear to me that the commission is not taking a proper investigative approach, and when the commission report is made public I am sure it will be nothing more than a whitewash.

I personally attended some of the hearings and there were times when I seriously questioned the commitment of the chief consultant to elicit the information which would give the complete story on the various merchandising practices. The Lamonthal and Horvath questionnaire which was sent to retailers and manufacturers was, in my opinion, nothing more than a joke. The questions were entirely too general and I cannot see how any useful information could have been derived from such a questionnaire.

The OFA has been far more involved with the inquiry than I have and I think I can safely say that they have not been satisfied with the investigation. However, rather than criticize, the OFA has been working diligently with the commission, making several submissions and trying to get the commission to work more aggressively.

In a supplementary to Donald MacDonald's question yesterday in the House regarding milk prices, I tried to elicit from the minister his views on the investigation and whether the commission is endeavouring to do a complete investigation by looking at pricing practices in general, rather than restricting his reference to the discounts and allowances which exist within the food industry.

I hope the minister was correct in his assumption that the commission is looking at pricing practices in general.

3:45]

If the royal commission is indeed doing its job, then I would hope the government would heed with great care the deliberations of the commission and recognize the seriousness of growing corporate concentration within the food industry. The government must be prepared to provide leadership and direction for the merchandising practices and the corporate control patterns that are emerging in this vital area.

I might say, Mr. Minister, that we in the Liberal Party will be making a submission to the food inquiry and we are even going to go to the point I believe where we are going to recommend some legislative measures to bring some of these practices under control.

Hon. W. Newman: So I understand.

Mr. Riddell: I will be most interested to read the report of the commission on the completion of its investigation but I do not hold out much hope that it will be worth much more than the paper on which it is written, as I really think there is a lack of

enthusiasm on the part of the commission to investigate the pricing practices as thoroughly as they should be. I hope I am wrong in this assumption, Mr. Minister, but I have certainly been less than favourably impressed at any of the hearings I have attended.

On another matter, Mr. Minister, you will no doubt recall that on December 5 last year I asked you if you were aware of the widespread and serious concern about block purchases by foreign investors of agricultural land in the counties of Bruce, Huron, Kent and Lambton. I also asked if it was true that foreign interests were circumventing the transfer tax by forming Ontario corporations, and if the minister would immediately undertake a survey of current foreign ownership of rural lands in Ontario as well as monitoring all new land transfers to private or corporate foreign ownership as had been recommended by the Ontario Federation of Agriculture at its annual meeting.

For the last five years at least, there have been periods of intense buying of farmland by non-Canadians. The latest increased activity in this connection appears to be concentrated in Huron and in Bruce. Most of us have noticed the frequent advertisements in Ontario newspapers which lead to thousands of acres of farmland being sold to out-of-town, cash buyers who have no intentions of farming themselves. Many of our own Canadian farmers who wish to expand their operations or who want to make room for their children are worried because these foreign investors drive up the price of land until it is out of reach of the young farmer.

While few people would feel justified in suggesting that non-nationals should be prohibited from owning Canadian real estate or farmland, there is understandably considerable anxiety about large amounts of foreign investment frequently concentrated in sizeable blocks of holdings. While some immediate problems arise from escalating foreign land purchases, the overriding concern is of course with respect to future control of Canadian resources and communities.

A past director of the national farmers' union would like to see a province-wide farmland classification plan with all prime land excluded from foreign ownership. He fears that in the long run rural municipalities will die unless the trend to corporate ownership is reversed. In his opinion corporate farm owners will buy in bulk from wholesalers or manufacturers with complete disregard for local towns and villages. Moreover, food prices will increase because these corporations will insist on profit all through

the chain and will be able, by virtue of their strong grip on supply, to force the issue.

Many people fear that because these corporations have no particular stake or interest in the community, public buildings will be neglected, schools and churches will be forced to close. Already there are complaints that the corporations refuse to co-operate on drains and fences, thus hindering the efforts of neighbouring farmers to improve their land by effective tiling.

Regrettably there is very little statistical data on foreign land ownership in Ontario. The last systematic survey done on the subject was by the select committee on economic and cultural nationalism in 1973, at which time only about one per cent of Ontario real estate was owned by non-nationals. I would like to remind the honourable members that the interim report of that select committee recommended that future acquisitions of land by individuals, including agricultural land, and the opportunity to farm in Ontario should be restricted to Canadian citizens and landed immigrants resident in Canada. I would also like to place on record that the Minister of Agriculture, the member for Durham-York, dissented from this recommendation.

Mr. Nixon: He dissented?

Mr. Riddell: He dissented.

We are all aware that this problem of escalating foreign ownership of land is not unique to this province. However, it would seem we are unique in our provincial government's determined reluctance to come to grips with the situation. I once again raised the issue in this House less than a month ago, on April 17, when I revealed that a West German family actively seeking to purchase agricultural land had enough money deposited in Huron county banks to buy the equivalent of two townships of land. I understand, Mr. Minister, that you have been investigating this and at this point you haven't found that that money has been deposited in banks in Huron county. But if you think that a banker is going to tell you what money is deposited there and where it's coming from, you are terribly mistaken.

Mr. Eaton: Who told you?

Hon. W. Newman: On the contrary—

Mr. Riddell: Not only that, but we have no idea how much of that money has been deposited in banks here in Toronto.

Hon. W. Newman: You said Huron county in your House speech.

Mr. Riddell: That's fine.

Mr. Nixon: Dan Murphy.

Mr. Riddell: I maintain that it is deposited in Huron county.

At that time both opposition parties urged the government to establish a provincial foreign investment review agency. However, the Minister of Agriculture and Food told us that he would need more facts and figures before taking action. He also deemed it necessary to remind me of the 20 per cent land transfer tax on the sale of land to non-Canadians and that many buyers are coming to Canada to farm the land themselves. To all appearances he was prepared to slough off the specific case I had raised.

You may recall that I had received a call from a local farmer with the story of the West German family that I had already mentioned after a real estate agent and a member of the family had offered to buy his 1,000-acre farm. The German man had stated that his family was in the cement business and worth approximately \$750 million.

Belgian and Dutch money is also coming into Huron county. The usual approach is to buy the land at \$1,200, \$1,500 or \$2,000 an acre. Frequently the land is then leased back to the farmers at approximately five per cent of their investment in the land, which amounts to somewhere in the neighbourhood of \$100 an acre annually.

The minister was sceptical about the anxiety I expressed. You may remember he said the ministry did a survey in Kent county. When all of you were making a great deal of noise about the takeover by foreigners, it turned out to be about one per cent of the land and that wasn't necessarily foreign ownership. They could have been Canadians who were resident somewhere else. I'm going to tell you, Mr. Minister, that you had better talk to the member sitting on your right, because I think he knows that recently there has been far more land sold to foreign investors than this survey has indicated, which was done back in 1973 or 1976, whenever you did the last survey.

Hon. W. Newman: Nineteen seventy-six.

Mr. Riddell: But talk to your member to the right.

Hon. W. Newman: I already talked to him.

Mr. Riddell: I think he will enlighten you because he happened to be at one time the agricultural representative in Kent county.

Hon. W. Newman: Yes, a very capable one too.

Mr. Riddell: My colleague the member for Essex South (Mr. Mancini) asked whether the minister had a plan of action in the event the study showed there was more foreign investment than expected. But the minister

replied: "We have looked at the foreign ownership of land; from the last survey we did, we do not feel there is any major problem to be concerned about at this point in time."

Hon. W. Newman: But I went on to say—

Mr. Riddell: The minister may not be concerned.

Hon. W. Newman: You don't want to mention that, though.

Mr. Riddell: The minister may not be concerned, but I certainly am.

Hon. W. Newman: I said I went on to say—

Mr. Riddell: So are a lot of other people in Huron county; so are a lot of people in other parts of Ontario, in other parts of Canada. Already four other provinces have laws restricting foreign ownership of land. Already there is legislation on this subject in the United States.

Last fall the US Congress passed a law that will force all foreigners to register their land ownership. At least 25 states have enacted constraints of some kind on foreign land holdings. Legislation has also been introduced to close tax loopholes which encourage foreign investors to buy United States farmland. Working through subsidiaries registered in tax havens such as the Netherlands, they can invest in American farm land, rent it or lease it and pay no United States taxes. Moreover, when the foreign investor sells the land he is exempt from capital gains tax.

Many of the foreign investors come from countries that have tax treaties with Canada. They do not have to pay income tax; instead they pay withholding tax. In cases where there is a treaty with Canada, the rate is 15 per cent. In other cases it is 25 per cent. The only other tax which they are likely to pay is capital gains on real property. Canadians on the other hand have to pay the regular income tax, frequently in excess of 15 or even 25 per cent, plus half of the gains tax. In other words these people can come here, buy property, harvest the product, ship it out of here without a sale, keep it in their own hands and be able to avoid or pay less taxes. In other words they receive preferential treatment compared with Canadians.

Foreign ownership of land is a matter of some controversy in the United States where Germans and Italians are the heaviest investors, followed by the British, French, Belgians and—note this, Mr. Minister—even the Canadians. There are people in the US who, like Ontario's Minister of Agriculture and Food, believe there is no cause for alarm or

even concern. After all, they say most of the buyers are good neighbours who often lease the land back to Americans and pour in development money to introduce modern, small-farming techniques. Supposedly these foreign investors are not primarily interested in making a profit. They simply wish to protect their capital against the ravages of inflation and the spectre of creeping socialism.

The minister may be interested in the San Francisco-based expert on farm real estate who asked why a foreign investor would believe he could possibly make \$2,100-an-acre row crop land pay when the local farmer says there's no possible way. If your money is sitting in Lugano bank or in Zurich, if your money is sitting in an economy such as Spain, for instance, with 25 per cent inflation last year, you're losing capital. If you can invest in something that's going to produce long-range inflation protection as compared to a negative return in the Swiss bank, you're going to do it. However, in this committee we're not directly concerned with the situation in the United States, although I believe indirectly what happens there affects us.

The Minister of Agriculture and Food may be more interested in excerpts from a Windsor Star editorial on this subject. I would like to place these comments on record. This is what the editor of the Windsor Star said:

"If Newman really believes a 20 per cent land transfer tax would discourage large-scale land purchases we must assume he is a very naive minister indeed. If he really believes German or Dutch or Belgian industrialists would sink million upon millions of dollars to buy thousands of acres of land in Canada because they want to farm it, he must also be a gullible minister. If Newman continues to rely on old studies on the matter and is willing to give purchasers of land the benefit of the doubt as to their nationality, as he did in reply to Mancini's question without having made certain of the existence of reasons for that doubt, he may be said to be a not very serious minister—"

Just for the record, I want to tell you that Mancini happens to be the Liberal member representing the Essex riding.

Hon. W. Newman: Momentarily.

Mr. Riddell: Oh, no, he's here for a long while. "—and that could be a disastrous combination for the provincial government."

Mr. Eaton: What, his being here?

Mr. Riddell: No, I'm still quoting from the editorial. "What if one day the opposition's claims are proved to be true? What if the German owners of 40,000 acres of land in

Huron county decide to subdivide the land for residential or industrial development? What if they start scraping off the topsoil and start digging out the limestone beneath it to roast it and grind it into cement?"

[9:00]

Hon. W. Newman: Because we have laws to stop that, which I brought through when I was Minister of the Environment, don't forget. Do you remember that? Do you remember the topsoil bylaw I brought through?

Mr. Riddell: I am not too sure that you did any more there than you are doing now.

Hon. W. Newman: Is that right? As long as you know I brought it through to stop that sort of thing if the municipalities want it stopped.

Mr. Nixon: If the municipalities want it, they can do it.

Mr. Riddell: I go on to quote from the article: "The least Newman can do if he takes his job seriously is to investigate the opposition's claims. They may turn out to be unfounded, but they may also hold some surprises and a surprise now would be far easier to take than a future shock."

Mr. Eaton: Do you keep all the editorials, Jack?

Mr. Riddell: Yes. It is not very often that you find an editorial in the Windsor paper that condemns the Tory government for its inaction.

Mr. Eaton: Do you believe all those editorials, Jack? Here's a good one: "Liberals' Farm Votes Lost." There's a good editorial for you.

Mr. Riddell: On April 17, I asked the Minister of Agriculture and Food: "What in the world is it going to take to move you?" I would ask him the same question today. What has to happen before you, Mr. Minister, take action on the question of foreign ownership of our land? Are you going to sit and wait until non-Canadians have a stranglehold on our farmland as well as on our economy? I wish time would permit me to continue and tell you how much foreign control there is. I will just run down some of the foreign control that we have in this country.

Mr. Eaton: When opposition members asked for exemptions from the transfer tax for those farmers.

Mr. Riddell: Today, non-Canadians control over \$110 billion in Canadian assets at book value. The real market value is, of course, very considerably beyond that figure. Today, foreigners control 65 per cent of all our com-

bined manufacturing, mining, petroleum and natural gas, 98 per cent of our rubber industry, 82 per cent of our chemicals, 46 per cent of our pulp and paper, 61 per cent of our agricultural machinery, 74 per cent of the electrical apparatus industry, 59 per cent of transportation equipment, 96 per cent of the automobile and parts industry and, in addition annually they control increasing percentages of wholesale and retail business, food processing and agricultural distribution, grain handling, forest products and fishing.

Hon. W. Newman: But you never mentioned agricultural land.

Mr. Riddell: If you are going to permit foreigners to buy out agricultural land, our primary resource, then as far as I am concerned we have sold the shop. We have sold Ontario.

Mr. MacDonald: Sounds just like a Liberal.

Mr. Wildman: C. D. Howe.

Mr. Riddell: If you don't take action right now, then it won't be very long before it's too late.

Mr. Eaton: Are Murray Gaunt and you going to support any more exemptions from the transfer tax? What's the matter? Don't you want to admit to supporting that?

Mr. Riddell: What?

Mr. Eaton: The exemption from the transfer tax that Gaunt and you supported up in Murray's riding.

Mr. Riddell: Land transfer tax has been absolutely no deterrent—

Mr. Eaton: Why did you want it taken off?

Mr. Riddell:—to foreign investment in our agricultural land.

Mr. Eaton: Why did you support an exemption for a foreign owner?

Mr. Riddell: If you want to consider that 20 per cent land transfer tax—that's about equivalent to our devalued dollar—

Mr. Eaton: Tell me why you supported the exemption.

Mr. Riddell:—and not only that, but they can circumvent that land transfer tax by forming an Ontario corporation so the land transfer tax isn't worth a damn.

Mr. Eaton: Why did Murray and you support an exemption for a purchase up in that area then?

Mr. Kerrio: Why don't you ask Murray?

Mr. Eaton: He supported it too.

Interjections.

Mr. Eaton: He can't take it when he gets tripped up a little bit.

Mr. Vice-Chairman: Mr. Riddell has the floor.

Mr. Kerrio: Why don't you ask Murray?

Mr. J. Johnson: Is Murray writing the speech?

Mr. Wildman: There wasn't much in agriculture.

Mr. Riddell: Mr. Minister, I would like now to deal a wee bit with the budget. As I sat and listened to the budget speech I became more restless as the Treasurer (Mr. F. S. Miller) waded through his prepared text, wondering whether he had considered his budget in any way as a stimulus to the agricultural industry in Ontario.

I had hoped that the Minister of Agriculture and Food would have had a major input into the discussions, which I am sure must have taken place in cabinet, when the budget was in its preparation stages. I had hoped the minister would strongly indicate to the Treasurer that the budget could, and should, be used to encourage efficient food production and the preservation of our agricultural resources.

What better time to make a major commitment to the agricultural industry when the devalued dollar offers us the opportunity of increasing our markets through increased exports and replacing expensive imported food, recognizing that this opportunity comes at a time of record high interest rates and extremely high capital cost. I feel the Treasurer should have used his budget proposals to encourage the whole food industry to re-capitalize, to improve facilities and equipment and to take the financial risk necessary to expand and increase our productivity.

Mr. McKessock: That's what Quebec did.

Mr. Riddell: All these thoughts were going through my mind as I waited for the Treasurer to comment on the government's commitment to the agricultural industry in his budget, but not surprisingly there was absolutely nothing in the budget for the agricultural industry.

Hon. W. Newman: Not true.

Mr. Riddell: The little information that was in the budget was not accurate as it showed the budgetary expenditure for the Ministry of Agriculture and Food increasing from \$176 million in 1978-79 to an estimated \$178 million in 1979 and 1980. If we look at these estimates which you are holding up for 1978-79, the supplementary estimates were not included in the \$176 million figure. The fact of the matter is that there has been a reduction in the ministry expenditure for 1979-80 from \$179,615,000 to approximately

\$178 million, representing a 1.6 per cent decrease. Once again the agricultural industry loses in Ontario.

I know, Mr. Minister, that you are only a member of the cabinet and I have no way of knowing how strenuously you tried to put the farmers' message across to your cabinet colleagues, but I firmly believe the Ontario government has failed the Ontario farmers. It is high time this government realized the economic and social impact of agriculture on Ontario. It is without a doubt the major resource industry in Ontario. With this in mind, surely you would agree the industry deserves much higher priority and much more serious commitments from the government than it has been getting.

As I listened to the budget speech, I was hopeful that there was something in store for the agricultural industry after hearing that mining was getting direct incentives, and tourism and small business were being provided with economic incentives. Yet agriculture, the major resource industry in Ontario, was practically passed over. The budget of Agriculture and Food was for all intents and purposes reduced by 1.6 per cent. The substitute for the capital grant program was not increased to meet inflation and is very vague in its criteria, being a five-year program and limited as to its application. We still don't know the details of the grant program and I am hopeful the minister will be able to elaborate on this program during these estimates.

It is obvious that agricultural education and research have taken serious reductions at a time when agricultural colleges are lacking—

Hon. W. Newman: It's not true. Let's be honest about it.

Mr. Riddell: Just a minute. It is obvious that agricultural education and research have taken serious reductions at a time when agricultural colleges are lacking capacity and facilities to cope with the enrolment. We need more research and diagnostic personnel at our agricultural laboratories and our specialists are spread out so thinly across the province that they cannot provide the service or physically do the work. Pesticide monitoring in the fruit-growing areas has been reduced and at a time when input costs are increasing at an alarming rate. It is surely not the time to be cutting back on such monitoring, which has saved farmers 30 to 50 per cent on pesticide usage alone.

A gratifying relief to the farmer I might say was the announcement by the Treasurer that the gift tax and succession duty would

be curtailed. This certainly has lessened the burden from the standpoint of rolling over farmland to succeeding generations. The Ontario Federation of Agriculture in its brief to the Ontario cabinet outlined very precisely the government's lack of commitment to agriculture. I understand you had some pretty heated discussions in there.

Hon. W. Newman: Very friendly.

Mr. Riddell: Oh, yes. The OFA mentioned about government's failure to protect farmers from a host of social pressures that threaten their industry—

Mr. J. Johnston: Social pressures?

Mr. Riddell:—such as the harassment that comes with non-farm development in rural areas and the massive intrusion of nuclear and industrial wastes in urban garbage dumps. Farmers have not been given any kind of assurance that they will be compensated if their water or land is polluted causing farming losses. The government has not seen fit to enact revisions to the Petty Trespass and Public Liabilities Act to protect farm property—

Mr. Eaton: That's coming this week.

Mr. Riddell:—from intrusion and damage and to protect farm owners from unreasonable responsibility towards intruders.

Mr. Eaton: That's coming.

Mr. Riddell: They sure didn't act on too much in your bill.

Mr. J. Johnson: Oh, yes they did.

Mr. Eaton: It's coming out almost exactly that way.

Mr. Riddell: If it's coming out it's after 20 years of pressure.

Hon. W. Newman: Oh, no.

Mr. Riddell: Oh, yes, after 20 years of trying to get changes. There had to be something done.

Hon. W. Newman: Get your time frame straightened.

Mr. Eaton: We'll see if your members support the new legislation.

Mr. McKesock: Were you going to put a private member's bill through?

Mr. Eaton: No, there is government legislation coming. You'll have to get off the bench, boys, for that.

Mr. Riddell: The minister has not given any credence to the bill—

Mr. Eaton: You sit on the fence for that too?

Mr. Riddell:—which would give protection to farmers for livestock lost.

Hon. W. Newman: Oh, come on. I introduced a bill today. Were you not in the House?

Mr. Riddell: Yes, I was.

Hon. W. Newman: I'm glad to hear that. You know what's happening then.

Mr. Riddell: I certainly was.

Mr. Eaton: He didn't know what was going on.

Mr. Riddell: All right, so you're putting it all in regulations and the municipalities are going to be able to determine what—

Hon. W. Newman: No, by regulation here. You know very well that's what I introduced today.

Mr. Riddell: Give me a chance to study the bill.

Hon. W. Newman: Sure.

Mr. Eaton: That will take two years, maybe three.

Mr. Riddell: Then I'll make a determination at that time whether I think that it's for the farmer.

Mr. Eaton: You're a good farmer, Jack.

Mr. Riddell: I agree with the OFA that the government must plan a 10-year strategy for agriculture which must include economic strategy, marketing efforts, long-term budgetary commitments and tactics to overcome the social and environmental pressures of the 1980s.

The OFA also requested that the government develop a comprehensive program to bring economic stability to the farm sector. Granted, we have an income stabilization program which not too many farmers have found to be too helpful.

Hon. W. Newman: It was \$8.2 million last year. Come on, now.

Mr. Riddell: I think you have to admit that not too many farmers have participated in that farm income stabilization program.

Hon. W. Newman: Are you saying we should make them participate?

Mr. Riddell: No.

Hon. W. Newman: That's fine then.

Mr. Riddell: I'm saying they don't because they find it a bit of a joke.

Hon. W. Newman: A joke at \$8.2 million? Listen, the farmers had a choice and it's a free enterprise system. The farmers can make their own choice. Did you join?

Mr. MacDonald: Mr. Chairman, may I ask, is the minister replying now or later?

Hon. W. Newman: I'm sorry.

Mr. Riddell: What is really needed is a more comprehensive program to develop new markets for agricultural products grown in

Ontario. Rather than reducing the agricultural budget, there should be additional funding to apply to market expansion both here and abroad.

A third recommendation put forth by the OFA is for a strong public commitment by the government to the farmers' right to farm. You have allowed a situation to develop in which pressures from many sources are making farming a frustrating experience in large parts of our best agricultural areas.

I have already dealt with foreign investment in agricultural land. In addition to this, the government is not too concerned about preserving and protecting agricultural land.

Hon. W. Newman: Nonsense.

Mr. Riddell: Just hear me out. Last year the minister released the land use document entitled Foodland Guidelines, which is supposedly a clearcut statement revealing the province's position on the issue of preserving and protecting agricultural land. The government's policy is obvious: It's not the government's problem; let the municipalities handle it. This, in effect, is what the foodland guidelines are about. The guidelines are a statement of government policy. They are intended to assist local municipalities or regions in planning for agriculture in the preparation of official plans or amendments which may affect rural lands.

[9:15]

It would appear that the government is giving strong leadership until you read through the guidelines and see that they also relate to land use or zoning bylaws in severance and subdivision policies. Except in circumstances where the provincial government decides that an important agricultural resource is involved, the foodland guidelines would not be applied to land that has been designated for urban use in previously approved official plans or approved zoning bylaws which implement such plans. What that means is that municipalities in possession of official plans which may not adequately protect farmland from urban encroachment, or any other threat, have been let off the hook.

Mr. J. Johnson: Are you abrogating regional government?

Mr. Riddell: It means that nothing will likely change under the guidelines because no municipality is being told to do anything about preserving farmland.

You, Mr. Minister, in an introductory statement said that implementation of the guidelines will ensure an adequate land base for agricultural needs in the future. The only problem is that nowhere in the document

is there a chapter, paragraph, sentence or word that tells any municipality that this is the law now and it must be obeyed. The government is saying to municipalities, "It would be kind of you to, sort of, at least consider these guidelines, but don't let us tell you what to do."

Mr. J. Johnson: Local autonomy.

Mr. Riddell: It's your ball game. The only difference, Mr. Minister, is that there do not appear to be many rules in this game.

Hon. W. Newman: You don't even know how government works.

Mr. Riddell: No one can get his hands on a realistic assessment of how much farmland is being lost to urban residential, industrial or any other type of development. This information is in the hands of the provincial Ministry of Revenue which deemed it to be confidential and will not release it.

Hon. W. Newman: Nonsense.

Mr. Riddell: I'll tell you, it's like pulling hen's teeth to get them to reveal it.

Hon. W. Newman: Yes, but hens don't have teeth.

Mr. Riddell: That's just what I'm telling you.

Mr. Kerrio: That's exactly right.

Hon. W. Newman: Give him a hacksaw to cut off the beak.

Mr. Riddell: The Ontario government has published a document which ostensibly provides planning guidelines but in reality merely sets out some ideas which can be thrown out the window by any municipality. The only code now widely recognized is the agriculture code of practice which again is voluntary. Some municipalities, it's true, have written the code into their bylaws.

Federal census data reveals that in 1976 Ontario had 11,069,343 acres of workable land on farms. What happens to this land would be determined largely by future planning decisions. It is a matter of record that the urban invasion in the rural areas is becoming a serious problem.

I'm quite prepared to concede, Mr. Minister, that many municipalities are tightening up by limiting farm severances, for example, and some have gone too far—to the point where it is difficult for farmers to get severances for their sons. I have such a case in my own riding at the present time.

Hon. W. Newman: You can't have it both ways.

Mr. Riddell: There has to be a comprehensive policy. Just listen, I think we can resolve this problem.

Hon. W. Newman: I want to hear it.

Mr. Riddell: There has to be a comprehensive policy which also allows for flexibility in areas where special circumstances require departure from the road. This may sound like an impossible dream but it isn't.

Mr. Eaton: It sounds impossible, like most Liberal policies.

Mr. Riddell: If only the province would take its guidelines and make them mandatory, then we would get action to protect agricultural land. As long as municipalities are left alone to fight their battles with the Ontario Municipal Board, with no firm government policy in the background, very little solid planning can be accomplished. Ontario will become a confused patchwork of conflicting regulations which will restrict livestock operations in one county but allow any expansion in the next, and make it difficult to build a subdivision near one city but easy near another.

I will admit, Mr. Minister, that the guidelines are, for the most part, constructive. They provide for the protection of valuable farmland, a necessity in this age of growing population. But I really believe we need a piece of legislation, a policy, a framework, which will allow municipalities to plan for the future with an eye to preserving agriculture. We don't need a document which says, right off the bat, "You don't have to follow these guidelines if you don't want to." By not stating that these guidelines are to be obeyed, the foodland document is inviting municipalities to disregard them completely.

Mr. Eaton: But they are not.

Mr. McKessock: The Provincial Secretary for Resources Development (Mr. Brunelle) knows how to control roughland; surely he can do a good job of controlling good farmland.

Mr. Eaton: But they are not ignoring them.

Mr. Riddell: Now, Mr. Minister, I want to express my concern about the future of marketing boards, in light of all the publicity that has been given to marketing boards and production quotas, which in the view of a marketing economist at the University of British Columbia is a farmer's licence to steal. I believe that was the headline that appeared in one of the Toronto Star's Saturday editions.

We read articles which indicate that Canadian consumers are paying hundreds of millions of dollars every year in higher food prices because some government marketing boards are controlling food production to keep prices artificially high. Consumers are

led to believe that supply management used by provincial marketing boards to regulate the production and the price of farm commodities cost Canadians billions of dollars a year. Many economists and consumer groups say Canadians are paying substantially higher prices than before for such basic items as eggs, chickens and turkeys because producers of these food items have organized themselves into virtual domestic OPECs whose monopoly powers dictate production levels and fixed prices.

The era of supply management began in Canada in 1972 when the federal government passed the Farm Products Marketing Agencies Act to pave the way for federal supply management boards. Since then, producers of eggs, turkeys and broiler chickens have come under a national supply management program. At the time the legislation for the boards was enacted, the federal government felt the farmers were in need of income stabilization. The idea was to protect them from the often wide income swings associated with the gluts and shortages that characterized most agricultural products.

There is no question in my mind that marketing boards and national supply management programs are needed in this country for our farmers to compete with the American producers who have lower capital and labour costs and a much superior climate for growing a wide variety of agricultural products. I am convinced that in the broiler chicken industry the low cost of United States imports would virtually wipe our producers out if they did not have a marketing board. However, it is alleged that the marketing boards have been costly to the consumer. Speaking of the egg board, it is estimated that Ontario consumers are paying as much as seven cents a dozen more for eggs than they would if CEMA did not exist.

This is the information which is being widely published for consumer consumption, and yet I haven't seen this Minister of Agriculture and Food defending marketing boards, other than by way of speeches that he gives to groups who are already convinced that marketing boards in the long run are of benefit to consumers.

Hon. W. Newman: I should send you all our speeches.

Mr. Riddell: I try to read all your speeches that come across my desk.

Hon. W. Newman: Do you? You don't have time.

Mr. Riddell: I really think you are preaching to the converted, but somehow you have got to get the message out to—

Hon. W. Newman: Do you think that I talk to rural people when I am talking to a large urban audience and trying to tell them about marketing boards? You read my speeches; I make an average of four a week.

Mr. Riddell: Keep it up, we need it.

Hon. W. Newman: Yes, I sure will.

Mr. Riddell: I personally do not believe that marketing boards contribute to higher prices, if one compares the price of the product under a supply management program with the price of products sold on the free market. But that is not to say that I do not think there are problems with marketing boards. Let's just take a look at some of the marketing boards that operate under a supply management program, to indicate the reason that consumers have become so concerned.

The egg agency is an excellent example of how supply management works. CEMA sets production quotas for each producer. By restricting supplies, the price of eggs can be kept artificially high. Since 1972, a year before CEMA opened shop, egg production has fallen from 468.4 million dozen to last year's estimated 458 million dozen. During that period the price of a dozen large-grade eggs has gone up 77.6 per cent.

CEMA fixes prices according to a complex pricing formula which takes the average cost of production within the industry, plus a fair return to the farmer on his capital investment and farm machinery. Because CEMA takes the average production costs across the nation, weighted according to province and transport costs, the efficient producer is prevented from passing on the benefits of his low-cost operation to the consumer in lower prices. Canadian egg buyers pay higher prices to help the less efficient producers stay in business. The production quotas given to egg producers become, in effect, additional costs of production that are passed on to consumers.

The farmer can sell his quota of eggs at a fixed guaranteed price to CEMA. So a quota value is set up that reflects the guaranteed income. When quota values were first established I can recall an egg producer who was called to the telephone and when he came back he indicated that in his opinion he was worth \$500,000 more than he had been an hour before.

Mr. J. Johnson: Good show!

Mr. MacDonald: No capital gains tax either.

Mr. Riddell: There have been many studies made of marketing boards throughout Canada and it does become a concern when you

read such statements as, and I quote, "A quota is something like a corporate or a government bond: the more income it guarantees, the higher its price"; or, "A quota is like a licence to steal money so new farmers and old expansion-minded farmers are prepared to pay a price for that licence".

Mr. Eaton: Who are you quoting? For all these quotes, would you mind telling us who you are quoting?

Mr. Kerrio: Pay attention and you'll learn.

Mr. Eaton: No, he never said who it was.

Mr. Riddell: Our future-generation farmers, many of whom I speak with every week, know full well that if they are to buy a chicken farm they will pay the going rate plus sometimes as much as \$20 extra per bird because of the quota system.

Mr. Eaton: Mr. Chairman, when you quote somebody, do you name him?

Mr. Riddell: I have a farmer friend in my riding who had a very few acres on which he had established an egg producing business. Having sold it just recently, he has been able to retire at approximately my age with \$500,000.

An hon. member: Pretty old.

Mr. Wildman: Are you retired, Jack?

An hon. member: He's contradicting himself.

Mr. Riddell: I don't envy anybody making a profit but I do have a soft feeling in my heart for those young people who would dearly love to get into the farming business. Believe me, there is never a weekend that passes that I don't have young people or a father and a son coming to my place and asking how they can expand their egg business, their broiler business, their turkey business or their dairy business—

Hon. W. Newman: The products you are talking about are all nationally supply-managed products.

Mr. Riddell: That's right.

Hon. W. Newman: Okay.

Mr. Riddell:—so that that son can get started into the kind of business he wants to go into. But what do I tell him? I have to tell him that I am afraid he is going to have to go into beef or cash crop, but if he ever has any desire to get into this particular business that is controlled by quotas, it's nothing more than a dream, because it's almost impossible for him to do it.

Hon. W. Newman: Do you agree with the MacGregor-Lane report?

Mr. J. Johnson: On a point of clarification, is the member in favour of or opposed to quotas? I am not sure. I want to know.

Mr. Riddell: I am seriously questioning the way quotas are handled, whether there should be a value on quotas and who should be handling the quotas, and if you just wait until I finish, Mr. Johnson, I think you'll understand what I am trying to get at.

Mr. J. Johnson: Hopefully it will be a little clearer than the last half hour.

Mr. Vice-Chairman: Order. Mr. Riddell has the floor. We'll let him finish.

Mr. Riddell: Let's take a look at the milk business in Ontario.

An hon. member: It's a good thing we've got a neutral chairman.

Mr. Riddell: A study by the Ontario Economic Council into the Ontario Milk Marketing Board last year stated that an Ontario milk producer pays as much for his milk quota as he does for his cows. That is passed on to Ontario consumers who pay an estimated 1.33 cents a quart more for their milk than they would without the board. In terms of this province's consumption that adds up to \$11 million a year in extra milk costs. The Ontario Milk Marketing Board's exercise of monopoly powers to maintain artificially high prices is far from unique among marketing boards in Canada.

Mr. Eaton: Who said that? Who are you quoting now?
[9:30]

Mr. Riddell: The dairy, poultry and egg industries in most parts of Canada are subject to the exercise of regulation, which produces a similar effect. Like CEMA and the provincial milk boards, turkey producers across Canada are given a production quota by the Canadian Turkey Marketing Agency set up in 1974. Helped by lower production, turkey prices have doubled since 1972.

Canada's decline in turkey production contrasts with the United States where there are no marketing boards. In 1974, United States turkey output was 8.9 million pounds. It climbed to 9.5 million pounds last year.

The primary aim of marketing boards, as we all know, is to minimize the net return to producers, and I believe the national supply agencies have proved very profitable to the Canadian producers. As I indicated, producer costs are higher in Canada than in the United States, and if we hope to be self-sufficient in the food industry, then I'm sure we have to rely on marketing boards.

As I indicated previously, the chicken producers needed a supply management program if they were to stay in business. Without the board I'm convinced that there wouldn't be a broiler industry in Ontario as we simply

could not compete with the United States producers.

Hon. W. Newman: Haven't you heard me talking about that for three years?

Mr. Riddell: I do not feel that the Minister of Agriculture and Food in Ontario has taken nearly the strong stand that the former minister did in defending marketing boards. As a matter of fact I think the minister did a disservice to marketing boards by making some of the statements that he did about the dairy industry in Ontario. Admittedly the system is not perfect, but I don't think the question is whether marketing boards are serving a purpose, but whether something should be done, Mr. Johnson, about escalating quota values.

Mr. Eaton: What should be done?

Mr. Riddell: I don't think anyone objects to producers getting together to promote and protect their interests, but with legislation to guarantee monopoly power, it is perhaps time that there was some final accountability.

Mr. J. Johnson: Certainly Eugene Whelan should address it immediately.

Mr. Riddell: We have experimented with supply management for some years now, and perhaps the time has come to ask whether it is doing the job that was intended.

Hon. W. Newman: Are you for it or against it?

Mr. Gaunt: Just listen, fellows.

Mr. Riddell: I have always been a proponent of marketing boards, but on the other hand I am questioning the closed-shop type of business, and I am concerned about quota values and the way they're handled at the present time. I would hope the minister would give us the benefit of his thoughts on marketing boards and marketing quotas and how our young people can ever hope to get started in the business of farming that is so closely controlled by production quotas.

I firmly believe the minister is losing his grip on marketing boards and letting them get out of hand. Let me use an example which I know I have been confronted with. I know the chairman of the Farm Products Marketing Board just today had a meeting with, I believe it was a representative of the Egg Producers Marketing Board—

Hon. W. Newman: Right.

Mr. Riddell: —about the Pullet Growers' Association and their proposal.

Mr. Gaunt: You are not going to put those pullet growers out of business, are you?

Mr. Riddell: Let me tell you that every proposal that the Pullet Growers' Association has put to the Egg Producers Marketing

board has been rejected out of hand. I really think there's a little bit of greed on the part of the Egg Producers Marketing Board, because we know that they are producing at about 60 per cent of their maximum capacity or—

Hon. W. Newman: It's over that now.

Mr. Riddell: Over that? So it's understandable why they would use their empty facilities to grow their own pullets, whereas before they relied on the pullet grower for that pullet. I'm thinking it's time that you or the Farm Products Marketing Board stepped in and said, "There's got to be a little bit of business here for everyone, not just the egg producers, but I think there's a place for the pullet growers as well." That's why I think we're losing a grip on the marketing boards of the Egg Producers Marketing Board can indeed dictate. They have the authority to authorize production quotas for pullet growers under the legislation that was set up for them, but they are not prepared to listen to any of the proposals that are made by the Pullet Growers' Association.

Hon. W. Newman: Are you suggesting a vote?

Mr. Riddell: I'm suggesting that the Farm Products Marketing Board make a decision. In other words, they're going to have to intervene and they're going to have to—

Hon. W. Newman: What do you think they have been trying to do? They have been meeting with them. They have met with them before. They're trying to resolve this. You're telling us the problem, but you're not prepared to offer any suggestions.

Mr. Riddell: I'm saying the Farm Products Marketing Board is going to have to be the arbitrator in this thing.

Hon. W. Newman: Yes, that's what they're trying to do. Let's have your suggestions. I welcome them. I respect you and I welcome them. Let's have your suggestions.

Mr. Riddell: My suggestions are that the pullet growers have to be recognized, that they can't simply be—

Hon. W. Newman: Which ones—the ones prior to 1970, the ones after 1970 when the plan came in, or both? Which ones do you want to recognize?

Mr. Mancini: What has the minister been doing for the last eight years?

Mr. Riddell: Let me take your position and I'll tell you.

Mr. Gaunt: Let's try it from 1970.

Mr. Riddell: Just to conclude, I have a feeling that the critic for the NDP is going

to be talking about the high food prices in this country.

Mr. Kerrio: Do they have one?

Mr. Riddell: The minister and I and all the rest of us are hearing a lot of complaining about the high prices of food, but when you look at the facts, in my opinion, the criticism really isn't justified. Today Canada has one of the highest standards of living in the world but no one seems to ask why. One of the main reasons is that never before have Canadians been able to buy their food so cheaply.

In 1947 we spent 25 per cent of our income after taxes on food. By 1960 that had fallen to 22 per cent and was reduced further to 18 per cent in 1970. Today we are spending 13 per cent of our income on food, in Japan it's 26 per cent, in Britain 30 per cent, and in many of the underdeveloped countries it's from 50 to 80 per cent. When you spend that much on food, you have very little left over for other things.

Mr. J. Johnson: You're complimenting the Minister of Agriculture and Food.

Mr. Kerrio: That Eugene Whelan is doing a hell of a job.

Mr. Riddell: I'm trying to put this in perspective. I get a little sick and tired when I hear the NDP members particularly jumping up in the House and talking about the tremendous high prices in food and how the consumer is being ripped off. But in Canada, where we only spend 13 per cent of our income on food, we have a lot more left over for our second car, or a vacation, or a colour television, or to provide more education for our children. That's why we have a higher standard of living in Canada—certainly not in spite of the cost of food but primarily because of the cost of food. Because food is so inexpensive, Canadians can afford to buy so many other things.

It's rather remarkable when you consider the change in the food industry over the last number of years. Look at the variety of food now. Think of the last time you were in a supermarket and saw the row after row of highly processed foods, frozen dinners, pizzas, and fresh fruits and vegetables all year round. Just think how that compares to 25 years ago when we were spending more of our income on food. So Canadian farmers are providing a greater variety at less cost.

Also consider the rapid growth of the fast food chains offering hamburgers, fried chicken and pizza. That's one of the fastest-growing industries in Canada, and it's followed closely by restaurants. Canadians are eating out more and ordering more of their food in. All of

that is also included in the cost of food and still the cost is lower than it was 10 or 20 years ago.

That's not all. Canadians are also eating more expensive food. We've doubled our consumption of beef and poultry since 1950. Then an average worker could buy a pound and a half of sirloin with an hour's work. Now he doubles that and gets three pounds. There's no question Canadians now eat better for less than at any time in their history.

I am sometimes asked when we are going to see \$1-a-pound steaks again, and my usual answer is we may see that when we see gasoline going down to 50 cents a gallon or when we see wages down to \$1 an hour. People forget that food prices are not a cause of inflation, they are a result of inflation.

Quoting from that familiar figure Winston Churchill, he summed the whole thing up quite nicely. He was asked once how his wife was and he simply replied, "Compared to what?" Sure, the actual price of food is higher today, but compared to what? Compared to the cost of production? No. Production costs have risen faster than prices. Compared to food in other countries? No. Canadians spend less of their income on food than people almost anywhere else in the world. Compared to wages? No. The average worker can purchase more food with an hour's work than he ever could before. Compared to the profit of other industries? Not on your life. Talk to the beef farmers who were in business in 1975, 1976 and 1977. They were not making any return on their investment and they were making very little for their labour. So compared to other things, the cost of food has fallen, not risen.

I know the critic for the NDP wants to get going on his comments. These are some of the concerns that I have—

Mr. Eaton: You won't support any more exemptions?

Mr. Riddell: —on the question of where we are heading with marketing boards, and I would appreciate the minister's comments. You have one of your own colleagues here, the member for Stormont-Dundas-Glengarry (Mr. Villeneuve), who is really concerned about the dairy industry in Ontario.

Hon. W. Newman: And so is the milk marketing board. They have come on board and have made the same representations as the member for Stormont-Dundas-Glengarry has in the last two weeks.

Mr. Riddell: Okay, don't get upset. Just tell me what you see. Where do you see the

future of the marketing boards and how do you look upon quotas and quota values—

Mr. J. Johnson: After May 22 there will be no problems.

Mr. Riddell: —and how quotas should be handled? What do you, personally, think about the amount of consideration that was given to the agricultural industry by the Treasurer of this province? What do you personally think about one and a half per cent of the provincial budget and something like one and a half per cent of the federal budget being devoted to the agricultural industry? It is the primary resource of Ontario, or in Canada for that matter, and one and a half per cent of the total provincial budget is devoted to the agricultural industry. I would hope that you, as the Minister of Agriculture and Food, would give more attention to the agriculture industry, one of the greatest employers of people of any industry in Ontario. I thank you for giving me your attention.

Mr. Vice-Chairman: Do you wish Mr. Newman to respond now, or do you wish the NDP critic to make his hour-long speech?

Mr. Riddell: I think the NDP critic has an important statement to make on the food inquiry, and I believe he has arranged to have the press come in to take down what he says. I suggest we let him go ahead.

Mr. Vice-Chairman: Some committees do it one way and some the other. What is the wish of the committee?

Mr. Eaton: If the minister will take 25 minutes, we will let the minister go now.

Hon. W. Newman: I could wind up in 15 minutes.

Mr. J. Johnson: I'd like to hear the reply from the minister.

Mr. MacDonald: The normal procedure has been to hear the opposition critics and then the minister replies.

Hon. W. Newman: But you'll miss the Globe headline, Don.

Mr. MacDonald: Don't try to foul it up.

Mr. Eaton: The problem is, the story is going to be there and he has got to say it in the committee.

[9:45]

Mr. MacDonald: A little bit of a cabal at the front, is there? A little cabal to change the rules in midstream?

Hon. W. Newman: No, I am not asking for any rule change at all. The chairman is asking for the opinion of the committee in the very democratic process that we follow in this House. I hope you understand that.

Mr. Eaton: Let the critic go ahead.

Mr. MacDonald: I am almost tempted to comment on something that the Liberal critic has said. I shall reserve my comments to his final observation, namely, that having browbeaten the Tories in Ontario for ignoring agriculture because they decreased their budget by one per cent, he then concedes at the end that the Liberals in Ottawa have done the same thing. In other words, both of them don't recognize the valid place of agriculture.

Mr. Riddell: I agree.

Mr. MacDonald: Well, we've agreed.

Mr. Eaton: The Ontario Liberals have dissociated themselves from the feds.

Mr. Kerrio: You guys are stuck; you believe everything Joe Clark says.

Mr. J. Johnson: And you don't believe anything Trudeau says.

Mr. MacDonald: Mr. Chairman, have I got the floor?

Mr. Vice-Chairman: Yes, you have the floor.

Mr. MacDonald: Very good, thank you. I just wanted, for your guidance so that you may know the agenda for the rest of the evening, to say that I asked the minister how long he would take and he said, "Ten to 15 minutes," and he took 25. I asked the Liberal spokesman how long he would take, and he said, "Twenty minutes," but he took an hour. So I may take about an hour which may mean two hours, so I won't be finished before the bells ring for the vote. I just wanted you to know the guidelines.

Mr. Vice-Chairman: We will go to 10:30 p.m., unless there is a bell.

Mr. MacDonald: There will be a bell, I am told.

Mr. Vice-Chairman: Then we will go until we adjourn for the vote.

Hon. W. Newman: Mr. Chairman, may I ask a question? Maybe it is the wrong time, but it will only take a second. I think I mentioned to a few of the members of the committee that I am quite prepared to sit here for 20 hours or whatever it takes to complete the estimates. There was some suggestion to me by some members that maybe the committee would like to take one day—it would have to be a Wednesday because of the House sittings—to visit our research stations at Guelph and Vineland. That could be done in one day, which as I said would have to be a Wednesday since that is the only day the House doesn't sit.

If the committee is interested in doing that—I have seen the stations and they are well

worth seeing—please let me know. We often sit around in this committee and discuss the estimates, which is fine by me; last year, I agree, we were on a special program.

However, I will have to know tonight if members want to make these visits so that I can make some sort of arrangements, probably for a week from Wednesday, so they may see some of the programs we have in Agriculture and Food. We would lay it on for members to go to Guelph and on to Vineland. I think we could do it all in one day, if you want to, it is entirely up to the committee. I am quite prepared to sit here for 20 hours and discuss the estimates; I enjoy it.

I have been to both places. I have seen them and know what they are like, but I have often wondered whether some members who haven't had the opportunity to see the kind of work we are doing would like to go. I know that Mr. MacDonald, Mr. Gaunt, Mr. Riddell and Mr. Eaton are probably very knowledgeable about some of these situations.

Since there is going to be a 10:15 bell and the member for York South may not finish by then, I just thought I should stress that I would need an expression of opinion tonight, Mr. Chairman. I am not trying to take away from the member's time, I am sure he will take the amount of time to which he is entitled. But if the committee is interested in my proposition I would have to make arrangements.

The other thing I would like to mention is the new farm productivity program. We are prepared to bring our equipment down here and take about an hour to present the total program as we see it for the coming year. We will lay it all out for members so they will be familiar with it. It will probably be a week before we have it all tidied up, but if the committee is interested I would like to know so we can have our people make the necessary arrangements.

Mr. MacDonald: If I have the floor, Mr. Chairman, let me respond. I don't know whether I'm going to complicate or assist the minister in this decision tonight. We haven't had any consideration of the agriculture estimates for two years, because last year the whole time was pre-empted by an investigation on the food discount issue, therefore we should take all the time that is necessary to discuss the agriculture estimates. If there is time at the end it could be used to visit Vineland and Guelph.

There is another aspect that I suggest members of this committee, as members of the Legislature, should consider, and that is

if the House is determined, as I understand the Liberals and Conservatives are, that we should adjourn on June 22 and come back only some time in October, according to the current estimate of the amount of time required for estimates we will finish estimates on Christmas Eve, on New Year's Eve, on January 6 and dates like that.

In short, we're in the absurd position of not being able to handle the estimates of all of the ministries in a rational, sensible, reasonable fashion. Therefore another alternative to using any time we might have after having considered the agriculture estimates is we should free it up for consideration of other estimates, because that might be preferable to considering them on New Year's Eve or Christmas Eve because of the absurdity of the scheduling of business in this House.

I have difficulty in responding to the minister's position at the moment because I don't know how much time the committee wants to take in considering agriculture estimates, given the fact we haven't looked at them in two years.

Hon. W. Newman: Mr. Chairman, if I may say so I'm quite prepared to stay here for 20 hours, and I think that—

Mr. Vice-Chairman: You'd be prepared to stay for less if they didn't want to use all the time.

Hon. W. Newman: No; I enjoy the estimates as a matter of fact. I just thought the visits might benefit members, and we could even include other members who are not here tonight who might be interested. If you don't want to, that's fine; I made the offer now because of the time frame and because we have to make prior arrangements for a visit.

Mr. MacDonald: May I suggest, Mr. Minister, that we examine this on Thursday evening when we will have had three cracks at it, three sessions considering these estimates—tonight, tomorrow and Thursday evening—by which time we'll see how much time we think we're going to need for estimates. Then the committee can also consider whether or not they want to free an extra five hours for going to Vineland or Guelph, or make it available for some other estimates which the government would like to squeeze out so that we can't consider them.

Interjections.

Hon. W. Newman: Well that is not my intention.

Mr. MacDonald: That's the way government business is scheduled.

Hon. W. Newman: May I say this: I was doing it in good faith, but if you want to stay right here for 20 hours that's fine with me. I was making a suggestion. I think I spoke to you about it yesterday.

Mr. MacDonald: My suggestion is we review this tomorrow evening when we see how far we are in the estimates.

Hon. W. Newman: That's fine. But don't start blaming other government estimates. We are allocated so many hours; how you want to spend them as a committee is entirely up to members.

Mr. Vice-Chairman: Mr. McKessock wanted to speak on this.

Mr. McKessock: How many hours would be deducted from the estimates by taking this trip?

Hon. W. Newman: I suggest it would take more than five hours, because we'd have to hire a bus to go to Guelph to visit the research station there, and go through the research pathology lab if members want to; and then on to the Vineland station and back to Toronto.

Mr. MacDonald: I don't want to argue this point, but if you make it Wednesday there are only two and a half hours devoted to these estimates on a Wednesday.

Hon. W. Newman: I realize that; but surely, somehow we can take the afternoon.

Mr. MacDonald: We can take the afternoon, but it's not off the estimates.

Mr. McKessock: His point is that we'd only miss two and a half hours off the estimates. I support the minister on his move to take us out to the research stations. I've been there many times too, but I haven't been there for a few years, and if research is the way it should be there should be changes there every year. I think it's a good proposal for the members of the committee and other members to go out and tour the research locations.

Mr. Eaton: Just as an example, in considering the estimates of the Ministry of Transportation and Communications there was some criticism of our light rail transit development at Kingston, so we took a day and went up there. We counted five hours out of the estimates time to do it. It took much longer, of course, but we counted five hours against it.

I think it was a good experience for everybody. Those who were critical had a chance to see what was actually going on, what was involved; we all learned quite a bit in the day we spent there. I think the same

thing could apply here. People are questioning the money going into research in agriculture; this is a good chance to let the people have a look at it. By taking a Wednesday, we might spend 10 or 12 hours but count only five hours against estimates time. I would support it.

Mr. Mancini: I also think it's a very good idea to go out to Vineland, but I have a lot of concern about using the time of the estimates. I was wondering if we could make arrangements for members of the committee, or any members who are not on the committee and are interested, to go out there without using time allotted to estimates.

Why is it absolutely necessary to deduct time from the estimates just because the minister wants to show members of the Legislature some of the government-run operations? I don't think the two necessarily have to go hand in hand. I really appreciate the suggestion the minister made, but my response is yes we do go out there, and no we don't necessarily have to use up time set aside for estimates.

Hon. W. Newman: Mr. Chairman, if I could make a commitment on what Mr. MacDonald has said, there's certainly time allocations for all estimates, and if we took five hours on a Wednesday we'd really be allowing extra time for other ministries, because we'd be using up two and half hours in the afternoon which is not normally scheduled; that's all I'm saying!

I go there quite regularly, as I'm sure many other members do; I think there would be other members who are not here tonight who would be very interested in seeing some of this work, although I may be wrong. We're doing a lot of work on solar energy; we just turned the sod the other day for the new cow-swine research station in Guelph; working with the Ministry of Government Services we have new greenhouses built in Vineland. It's just fantastic. It's been a great education to me to go down to these places.

All I'm saying, in fairness, is I think a certain amount of time should be taken off the estimates for doing this, to allow time for other ministries.

I'm not trying to buy time from the other ministries that members may wish to examine; that doesn't bother me.

Mr. MacDonald: As I suggested earlier, I won't leave this until Thursday, until we find out how much time all members of the committee want to take for an agri-

culture lesson. They might want to use the whole 20 hours.

Mr. Vice-Chairman: Can we leave this to Thursday night and bring it up again? By that time we'll know where we are and arrangements can still be made at that time.

Hon. W. Newman: Mr. Chairman, I'm in the hands of the committee.

Mr. Vice-Chairman: It is agreed we leave that and discuss it again on Thursday night; okay. We'll give you the floor again now, Mr. MacDonald.

Mr. MacDonald: Well Mr. Chairman, the leadoff in the estimates provides an opportunity to give an overview. I want to forego any discussion on detail, which can be covered in the vote by vote review at a later period, and take a look at some of the overview. I think there are a couple of points it would be useful to note at the outset.

When the OFA brief was presented to the government just this past week, it really added up to a devastating indictment of government policy on agriculture. It stated quite frankly that government policy had no real commitment to agriculture, indeed it said it had a lack of direction and a lack of commitment. Peter Hannam, in his introductory remarks when he presented the brief to cabinet made this comment:

"But perhaps most disturbing has been the lack of consistency this government has shown to the farming community. Farmers are continually receiving confusing signals. Put simply, farmers can no longer tolerate the Minister of Agriculture and Food travelling around the province telling farm audiences how important agriculture is in the economy, while at the same time his cabinet colleagues cut his feet out from under him by cutting the budget."

The minister may want to reply to that later, but that is the view of the leading farm organization in the province of Ontario at the present time.

Hon. W. Newman: Yes, because they didn't know the facts; but it was sorted out by the Premier (Mr. Davis) when he was there.

Mr. MacDonald: You know Mr. Chairman, the minister is going to have an opportunity to reply later, but it's interesting that when the OFA annual convention is held they have a breakfast and all the ministers are there communicating with the OFA; the federation comes in with an annual brief; and I would say about a dozen times a year its members come in and they meet with one or another ministry;

yet the government's communications and its capacity to convey what it is doing is obviously very inadequate.

If the OFA doesn't know the facts the fault rests with the minister. I suggest they know the facts, but your policy has a lack of direction and a lack of commitment.

[10:00]

Hon. W. Newman: I suggest you don't even know what's going on; we have a liaison committee and I meet with the president of the Ontario Federation of Agriculture on a regular basis.

Mr. MacDonald: Are you responding now or are you going to respond later?

Hon. W. Newman: I just think you should keep the facts straight.

Mr. MacDonald: I am. I am reporting the view of the leading farm organization in the province.

Hon. W. Newman: I agree, they're the leading farm organization.

Mr. MacDonald: Okay; but don't dismiss it so readily because you fail to agree.

Hon. W. Newman: I didn't dismiss it readily at all.

Mr. MacDonald: The second point I think it is useful for us as members of an agriculturally oriented resources development committee to take a look at is that the food industry is the largest industry in this country; the largest industry in this country, bar none. The really disturbing thing is that the domestic base of the food industry in this country is dwindling every year. The OFA points out that in real terms what is happening is we are importing a growing proportion of our food. In short, we are increasingly becoming insufficient in terms of meeting our own needs.

They pointed out a year ago when they presented their brief to the minister that there was need for a public commitment to reverse this slide into deficit food production in this province. They noted that by 1985 only two or three products would be in surplus in this province. In fact a few years ago, this minister's predecessor, in one of his warnings as to what was happening in the agriculture industry, pointed out that if the trend since the middle of the 1960s continued we would be importing 60 per cent of our food into the province of Ontario by the year 2000; which is surely a ludicrous proposition for a province with our agricultural base and our historic agricultural resources. You see the fact of the matter is the government pretends it has an industrial strategy, a strategy that involves all the industries

of the province. Assuming that agriculture is the most important industry, one would expect it would be an integral part of that. But agriculture has no part in even the inadequate industrial strategy that the government has. It's reflected in the ministry's budget, which is a drop from last year any way you want to argue; and the minister can juggle the figures later and try to prove to the contrary.

We have today an Employment Development Fund of some \$200 million which the government is going to hand out to various industries in the province by way of encouraging them to do what they should have done, such as avoiding environmental pollution or modernizing a plant so that they can compete; in short we've got a public treasury which is being used as an outdoor relief department for the corporate sector. But in the process of doing this the government has no real place for agriculture.

That is why, when the OFA presented their brief to the minister this year they asked that he have a 10-year program; a 10-year program for the development and maintenance of agriculture in this province so that we can have an expanding industry as a part of an expanding economy instead of one in which increasingly we are meeting a smaller and smaller proportion of our own domestic needs from our domestic production.

One of the interesting things in terms of an overview is to take a look at this ministry. In 1963 this minister's predecessor, the honourable William Stewart, changed the name of the ministry to the Ministry of Agriculture and Food. Presumably what he was doing was extending the jurisdiction of this ministry to take a look at the whole food industry, beyond the farm gate as well as the actual production on the farm. The Ontario Food Council was set up, presumably to fulfil the role of monitoring the food industry. Even the government conceded that the food council had become an ineffective organization. To borrow the phraseology of the president of the Ontario Federation of Agriculture, it was "irrelevant and ineffective". The government's rationalization was that in the meantime the Ministry of Consumer and Cultural Relations had been established and it had taken over the monitoring of the whole of industry, the whole of business, and therefore it could do the job.

I think it's time this government explained what remains of the responsibility of the Ministry of Agriculture and Food, because at the moment we have a divided jurisdiction; and it's a little terrifying, quite frankly, when one contemplates what may or may not happen in Consumer and Commercial Relations.

where we have a minister who started out as an investigative reporter and turned into a politician, who goes storming into any sector of the economy, sometimes like a bull in a china shop, sometimes with advantage because at least he has respect for nobody, including his cabinet colleagues if they ever cross him up, and therefore he will challenge them, he will put them on the spot. He will be unfair in terms of condemning the good along with the bad, as he did for example in the transmission racket that tended to go on in certain aspects of the car repair industry of this province.

We had a magnificent illustration just a couple of days ago, which makes one wonder what that minister is going to do when he gets into the whole food field. A number of questions were asked of him concerning the reason for the justification for the increase in the price of milk. He was out of the House, but he came back and answered the five or six questions. He made two statements.

He said first that it was traditional that the milk processor took the same increase as had been granted to the farmers by the Ontario Milk Marketing Board in accordance with a formula which justified an increase to the producers because of their increased costs in production. That is totally inaccurate. There is no traditional relationship between the increase that the milk processors take and the one the producers take. On some occasions processors have taken an increase when there was no increase going to the producers; and when there was an increase going to the producers sometimes they took more and sometimes they took less. So to argue there was a traditional relationship between what went to the processors at the same time as it went to the producers is simply inaccurate.

Secondly, he made the totally fatuous comment, revealing his ignorance of this whole field, that the increase in cost of the milk processors was the same as that to the milk producers. There's no relationship between the increase in the cost to the milk processors and to the milk producers. At least with the milk producers they get an increase only if their costs are reflected in a formula, and the formula is known. In the case of the milk processors, nobody knows on what basis they get an increase; there is no formula, there is no law that says you can or you can't take what they take it unilaterally.

I repeat, it's terrifying, the proposition that the food industry is going to come under the monitoring of this man.

What is even more terrifying is that when I queried the Minister of Agriculture and Food yesterday because he wouldn't deal

with the two issues I have raised, namely the traditional relationship and the equality of costs to the processor and the producer, he then went further and revealed he didn't know there is still no check on the increase that a processor may make, that it doesn't go to the appeal tribunal. He chastised me, in his characteristic fashion, for not knowing what the facts were when he himself didn't know what the facts were.

Right, you didn't know what the facts were.

Hon. W. Newman: But I explained in the House today, okay?

Mr. MacDonald: You explained in the House today and you apologized; but I would suggest to you that instead of blustering off to challenge the credentials and knowledge of somebody who asks you a question, you should answer the question, instead of ignoring it and running off into something on which you didn't know the facts. When you checked with your own legal branch, you found that the appeals tribunal has no jurisdiction.

Hon. W. Newman: I found out you called them, you went out of the House and called them.

Mr. MacDonald: Of course I called them!

Hon. W. Newman: You didn't know yourself!

Mr. MacDonald: You happen to be the minister.

Hon. W. Newman: You went out and phoned the milk marketing board and one of our senior solicitors—

Mr. MacDonald: Right.

Hon. W. Newman: —and came back in the House.

Mr. MacDonald: Right; I called your senior solicitors, and after I came back I put you on the spot because you were wrong.

Hon. W. Newman: I admit I was wrong. I grant you I was wrong. You see, I'm not perfect, but you think you are.

Mr. MacDonald: Just a minute now, Mr. Minister. Don't start criticizing somebody who asks a question. Don't start challenging their credentials because your own credentials are not impeccable.

Hon. W. Newman: I didn't say they were.

Mr. MacDonald: In fact they're often vulnerable.

Hon. W. Newman: I agree.

Mr. MacDonald: And therefore don't challenge anybody else.

Hon. W. Newman: I didn't challenge anybody.

Mr. MacDonald: You did. You told me to go and learn the facts, that the appeals tribunal could hear an appeal from processors; and there were no facts.

Hon. W. Newman: You look at Hansard yesterday.

Mr. MacDonald: I did look at Hansard.

Hon. W. Newman: I hope you read it carefully.

Mr. MacDonald: Of course I read it carefully; and what I have said is correct.

Mr. Eaton: He couldn't be wrong.

Hon. W. Newman: No, some people are perfect.

Mr. MacDonald: It's rather interesting that the minister should have made that error yesterday, because the milk marketing board for years has been saying to this government that it is wrong, that the farmers should have their price controlled and that there should be no control of the price at the processor or retail level. In fact in the presentation of the milk marketing board to the milk industry in 1975 they pointed out the board believes that fluid milk processors and the retailers of fluid milk should be required to justify any fluid milk price increase they implement.

They are under no compulsion for justification; they will piggyback it onto an increase to the producers, or they will take it when they please unilaterally and there's no law to forbid it. It's rather ludicrous that the farmer's price should be tied to a formula which is clearly known; you may challenge the formula if you like and say it's too rich or it's not rich enough, but at least it's tied to a formula, it's above board. In the instance of these people they will take increases as they please.

Let me move on, Mr. Chairman, if I may. I want to deal with a number of aspects in the whole food industry at the present time. I raised the question with the minister, and I'm going to come back and repeat it a little bit later, as to the exact remaining jurisdiction over the food industry which lies within the Ontario Ministry of Agriculture and Food; whether there's anything there, whether you've transferred everything beyond the farm gate over to the Minister of Consumer and Commercial Relations (Mr. Drea); or whether you hold something, and if so what is it.

The important thing here is this: Let me quote, if I may, from an introductory paragraph in an article that was carried in the winter edition of *The Agrologist* in 1978. It was written by Murray H. Hawkins, who is a graduate of that most exclusive club, next

to the Legislature the most exclusive club in the land, made up of those who graduate from Guelph.

Mr. Kerrio: That's two of us anyway.

Mr. MacDonald: I knew you'd recognize that.

Hon. W. Newman: I'm a member too.

Mr. MacDonald: Murray Hawkins graduated from Guelph, worked for Canada Packers and is now professor of the department of rural economy at the University of Alberta. In this article he said, "The Real Issue"—actually, that's the title of it.

Hon. W. Newman: When was that written? I missed it.

Mr. MacDonald: Last winter, the winter edition of *The Agrologist*. You're a member, you get *The Agrologist*; you conceded on one occasion you don't follow any of their advice, but you're a member of the Ontario Institute of Agrologists.

Hon. W. Newman: Be careful, the new vice-president is sitting in this room; so be careful.

Mr. MacDonald: That's fine. I hope he follows their advice.

Murray Hawkins said this, and I want you to listen to this, Mr. Minister: "The malaise of vertical integration permeating our retail markets envelopes the entire group of chain retail food corporations operating within Canada. The survival of an independent and producing sector is at stake."

In short, what he is saying is that in 80 per cent of the food industry which lies beyond the farm gate—the food industry that starts with the retailer, goes back to the wholesaler, back to the processor, back to the transporter from the farm gate; the majority of which is owned today by conglomerates, the Loblaw-Weston conglomerate, the Dominion-Argus conglomerate—that what you've got in this area is a vertical integration which is threatening three things: It's threatening a fair return to the farmers, and the farmers in most instances are sitting ducks except where they've got a marketing board which has some real control over price and supply management; secondly, it's threatening the consumers, in spite of the fact that the consumers, I concede, are spending less of their disposable income on food in Canada and the US they are still paying more than is necessary because of what goes on in the food industry; thirdly, and this is the most important thing, and presumably for a business-oriented government it is something you should take note of, the whole food processing industry is being backed to the wall by the economic concen-

tration within the food industry that rests with these conglomerates and their flagships, which are the retail chain stores, the supermarkets, Loblaw's and Weston, which today dominate with about 50 per cent of the food sales in the province of Ontario.

[10:15]

Last year something emerged in this field. It wasn't new; it had emerged before, it had been smoked out. The supermarkets had fled from it but they instituted it again.

It was drawn to the attention of the public that the discount practice had been initiated once again. The minister said oh no, it can't be happening. When it was proven to him that it was happening, he said if it was illegal we'd do something about it. Then he found it wasn't illegal, because he hadn't changed the law to make it illegal, even though two or three times he had persuaded them not to engage in this questionable practice. Such a storm and such a fury developed—we know the story; all the time of last year's estimates was taken up in an initial investigation into discounts.

A prima facie case was established that there were questionable practices here and something should be done about it. A majority of the committee, with the Tories kicking and squealing but coming along with it, agreed with the proposition there should be a fuller inquiry to get the facts, because we had neither the time, the limited time of the resources committee nor the resources within our committee, to do that kind of investigation. We recommended there should be a royal commission.

The government sat on that issue for something like two months, from June until August. The minister constantly reiterated that he was opposed to having a royal commission. It would be too costly and it wasn't necessary—

Hon. W. Newman: Look at Hansard from last year.

Mr. MacDonald: Secondly, he said there was nothing illegal and therefore what was here to investigate. Thirdly, he said that discounts take place in the marketplace all the time; we look for discounts when we go to purchase something so what were we disturbed about? Having enunciated all his reservations about it, in perhaps the most amazing public statement I ever heard from a minister in this country, the minister stated one day that he was still opposed to it but that his cabinet colleagues were going to proceed to set it up this year.

Hon. W. Newman: That is not right.

Mr. MacDonald: In short his cabinet colleagues—

Hon. W. Newman: Mr. Chairman, on a point of order.

Mr. MacDonald: —were going to do what he should have been doing.

Mr. Vice-Chairman: A point of order.

Hon. W. Newman: I suggested last year, if you check in Hansard, that through the Ontario Food Council, by order in council, an investigation could have been carried out by appointing a person who could do equally as good a job as a royal commission would do, and it would be a lot cheaper. That's what I suggested, sitting right here in this room.

Mr. MacDonald: The food council was a totally discredited organization and the proposition was not acceptable for one moment by anybody except you, who wanted to sort of keep it in—

Hon. W. Newman: What do you mean?

Mr. MacDonald: Are you supposed to be giving a speech now or are you replying to—

Hon. W. Newman: I'll damned well give one if you don't tell the facts right.

Mr. MacDonald: I am giving you the facts. You were opposed to a royal commission because it would be too costly.

Mr. Eaton: The money would have been much better spent on research.

Mr. MacDonald: Too costly, you said. Secondly, you said there is nothing illegal and therefore what are you proposing to investigate. Thirdly, you said discounts are part of the normal operation of the marketplace, therefore what are you bothering about an investigation for. But even while you were reiterating all of these reservations, you had to concede that the cabinet had come to the conclusion they would have to set up an investigation, and one month later they set it up.

Hon. W. Newman: Oh come on.

Mr. J. Johnson: Mr. Chairman, on a point of order. This is only a 10 minute bell.

Mr. Vice-Chairman: Somebody said five.

Mr. MacDonald: What do you suggest?

Mr. Vice-Chairman: Somebody has suggested it's a five minute bell, therefore it's our duty to go to the House. We will reconvene and Mr. MacDonald will have the floor at 10 o'clock tomorrow morning.

The committee adjourned at 10:20 p.m.

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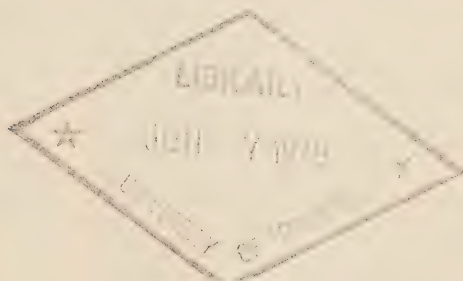
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Wednesday, May 9, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, MAY 9, 1979

The committee met at 10:09 a.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD

(continued)

Mr. Chairman: All parties are represented. Mr. MacDonald, you can continue with your remarks.

Mr. MacDonald: Mr. Chairman, when we rode into the bells last night at about 10:15 or 10:20, the minister and I were engaged in a little verbal tangle; he was objecting to my contention that last August he had been expressing public opposition to the idea of a royal commission because it would be too costly and, anyway, there was nothing illegal in this whole business of discounts; it was a common practice in the marketplace.

The minister is correct. He did tell us a year ago on this committee that he favoured the food council doing an investigation and not having a royal commission. The significant thing is—and it almost prompts me to an aside that I don't know whether I should object to the minister interrupting or not—every time he interrupts he strengthens the case I am making. The point I wanted to make was that the minister may have wanted to go to the food council, but the cabinet overruled him. He couldn't persuade them. The minister said, "No", yet the cabinet decided on a royal commission, not the food council. How the devil can you deal with a guy like this when black becomes white? The cabinet decided that they would have a royal commission and you had a royal commission. The irony of it was in the very same speech that the minister made, conceding that the cabinet was going to appoint a royal commission some time later in the fall, he was still expressing his objections to a royal commission. It was as remarkable a statement as I ever heard from a minister's cabinet.

Hon. W. Newman: Mr. Chairman, on a point of order: I think if you check the record you will find that under the food council act, as it then existed, by order in council, an inquiry could have been set up with exactly the same powers as a royal commission.

Mr. MacDonald: I suspect, Mr. Chairman, that the government decided they wouldn't move to do anything under the food council because, at that stage, the food council had become a totally discredited organization in terms of monitoring the food industry beyond the farm gate, so totally discredited that the government washed it out subsequently.

Hon. W. Newman: Mr. Chairman, on the point of order, he didn't hear what I said. I said that under the food council act the government of Ontario has the power to pass an order in council appointing whoever it wishes to make an inquiry.

Mr. MacDonald: Can you help me, Murray? What are we arguing about?

Mr. Gaunt: I have been trying to figure that out.

Mr. MacDonald: So am I trying to figure it out. My point is simply that the government didn't accept the minister's advice to have it done under the food council. They set up a royal commission and the minister objected to the royal commission, and Bob Eaton, who isn't here, objected yesterday because it would be costly. What Bob Eaton is doing is criticizing his own cabinet. It pursued the more costly route. However, let me proceed because I don't know really what we are arguing about, except that the minister persists in it.

Hon. W. Newman: I would like to continue, but I will save it for later.

Mr. MacDonald: The minister made the interjection during our debate or our exchange in question period on milk prices, to the effect that the commissioner had a very wide scope. I scratched down his phraseology here. "He has a very broad scope to look at," said he, with regard to the commissioner of the royal commission on food discounts and so on.

I think it might be useful, Mr. Chairman, for us to pause and see what has happened with regard to the terms of reference. The terms of reference, and I have a copy of them here, state:

"To inquire into and make recommendations respecting:

"(a) discounts, allowances, rebates and other forms of payment offered by or exacted

from persons engaged in the marketing of food or grocery food products and paid or allowed, directly or indirectly, to purchasers thereof, other than discounts, allowances, rebates, or other forms of payment paid or allowed directly to consumers."

I draw your attention to the fact that those are narrower terms of reference than the standing committee on resources development requested. What it asked for was not just to look at discounts and allowances, but rather an inquiry—this was the recommendation from the standing committee—"with respect to prices, price spreads, price discounts, rebates and allowances, trade practices, methods of financing and management policies relating to the marketing of farm products."

When the commission was set up I made the comment, in a public statement in which I welcomed it, that the commissioner, as with most commissioners, could interpret his terms of reference narrowly or broadly, and I could cite many examples of commissioners who have done one or the other. The point I want to make is that this commission has chosen to interpret its terms of reference very narrowly. It is not looking at trade practices; it is looking at discounts and allowances.

If you read the transcript you will find that an unconscionable amount of time is often spent berating the counsel from the Ontario Federation of Agriculture with regard to going beyond the terms of reference, and once Jim Murray, the counsel for the OF of A, gets going in asking questions to pursue some of the facts that this inquiry should be digging out, what usually happens is that Rodney Hull, the chief counsel, or the commissioner, will intervene and say, "Now, is that really within our terms of reference?" and they make a decision that it isn't within their terms of reference.

What is being missed here, Mr. Chairman, is that the report of the standing committee on resources development said that discounts and allowances were only the tip of the iceberg, they were only part of sometimes co-operative advertising packages, sometimes packages that involved other concessions to a supplier in the store with regard to aisle positioning of their product and things of that nature.

The proposition that you can look at trade discounts and allowances and not get into the whole question of trade practices, is to so circumscribe as to frustrate—in fact, castrate—the whole approach to the problem. That, in part, is what the commission has done.

[10:15]

Why did they do it? Unfortunately haven't a copy with me now of a transcript of a CBC discussion that took place about 10 years ago. I had it, but unfortunately when I got out of the leadership I unloaded about 112 linear feet of my files and they're in the archives at Queen's, and in them is this document. But I recall—it's in the Hansard somewhere, if I only knew where that needle is in the Hansard haystack because I quoted it into the record in Hansard—that what this reputable Toronto lawyer said was that no royal commission is ever set up but to bring in the kind of report that the government wants. He wasn't talking about any given royal commission; he was talking about royal commissions in general.

On the surface of it, that sounds almost questioning of the integrity of the people who are appointed. Not necessarily so. I can give you an example. If I were the head of a government, and I wanted a "pro" report on nuclear generation of power in this province, I'd appoint George Ashe; if I wanted a negative report, I'd appoint Evelyn Gigantes, because they would both start with that solid bias that is not likely going to be changed.

What has happened in this royal commission is that the minister signalled the government's view to the commission. He even signalled it in terms of questioning the validity of having a royal commission which would be a waste of time and a waste of money. There was no real problem; there was nothing illegal. Rodney Hull on Metro Morning this morning and on many other occasions has been saying—I suppose he'll be saying about Jack Riddell; Jack should be here to protect himself—that nobody has come to talk to him. It isn't true. At his invitation, I was there. I had an extensive chat with him one time. What I said to him was, "I can tell you what you can do, and how you can get at the facts in the food industry. That's your job. My views were expressed along with the views of all the rest of the resources development committee last May and June, and we came up with what we thought was a solid prima facie case that there was a problem. We didn't have the resources. We didn't have the time to complete the investigation. That's why a royal commission was set up. So don't ask me how to do your job." I effect, that is what I was saying to Rodney Hull. And I repeat it here, now. The one time I have been to the commission was the day that Peter Hannam was being questioned by the commission counsel and I

others with regard to the brief that was put in by the Ontario Federation of Agriculture. A very good brief. The federation of agriculture, along with the Consumers' Association of Canada and the Fruit and Vegetable Growers Association have asked for this commission, and it was fantastic that this minister, the champion of the farmers, was denying what they were asking for all the time, what they were repeatedly asking for.

They did that from June to August, and right up until the appointment of the commission the minister was still opposing the idea. The simple fact of the matter is that the commission was given a job of carrying out and completing the work of the resources development committee and they have circumscribed their terms of reference. Their whole approach is weak. Except, interestingly enough, when they were questioning the OF of A. I was there; that's the only morning I have been.

I've been reading the transcripts. They make interesting reading. I have a pile of them and it's getting very high now. It's good summer reading, good bedtime reading. But the interesting thing was that when Rodney Hull was questioning Peter Hannam, he wasn't trying to pursue the leads that the OF of A had given that might get to the facts that the commission was charged to get. He was challenging the premise of the whole proposition. I reserved judgement at that point. I thought, "If Rodney Hull is going to be tough and aggressive like this with everybody, then perhaps that's the kind of fellow he is." But he isn't tough and aggressive with everybody. That is the problem. And, because of the fact that this commission had gone on, not appearing to be willing to do its job, four or five months after it was appointed February 24, I made a statement.

It was a tentative judgement. It wasn't final judgement. My statement, and I'll just read you two or three paragraphs of it, was this: "So far, the royal commission inquiring into supermarket discount practices has shown neither the will nor the capacity to come to grips with the complex subject.

"Their rationale, I point out, is rather a simplistic rationale—that some of the supermarket trade practices may be questionable, even immoral, but they don't break the law. Therefore there's no problem. You can't solve the problem if you don't really believe it exists. And that's the problem, as I'll prove a little later, with the commissioner, with the chief counsel, with their research staff, Laventhol and Horwath. They don't really think there's a problem. Why should you take a look at discounts in the food industry when dis-

counts take place everywhere? They don't even know what the purpose of this is. They don't understand the food industry. They're learning, at our expense. But they're not learning very fast, that's the problem."

So I concluded my comments on February 24 by saying, "An inquiry which seeks to explore and to understand this corporate labyrinth and its trade practices through questionnaires and interviews, only supplemented by testimony from a few people who were willing or in a position to risk their livelihood by speaking out, can never hope to get the full story. It requires relentless digging with whatever staff is necessary. That's the complete job which the resources development committee had neither the time nor the resources to do. That's the responsibility which was assigned to the royal commission."

Interestingly enough, when I made that statement—and I thought about making it for two or three months before I made it—it was only concern at seeing the commission in operation as well as the rather dilatory manner in which it prepared and got into its operation that convinced me that the time had come to speak out.

In a story that was carried in the *Globe and Mail* under the byline of Sylvia Stead, there was an interesting reaction from Mr. Hull. "I'm very disappointed he said that," said Mr. Hull. "I can't compete with people who take cheap shots and run."

Let us take a look at the full story. If he thinks I'm taking cheap shots, he will discover that I'm relatively mild and almost sympathetic to his position. In the first place, and this is the very moderate thing, the federation of agriculture, having made a very good brief—which was received almost with hostility in comparison with many of the other briefs—has since provided two memoranda to the commission, one dated March 13 and one April 19.

The March 13 memorandum answered the question of why there is discounting rather than bottom-line bargaining. One of the funny things you read through here is the constant puzzlement, particularly on the part of the commission and sometimes Mr. Hull: "Why are they engaging in discounting?" He's puzzled. Why would they, for example, not say that the price is 85 cents, rather than \$1 and then you have to take off the 15 cents; what was the purpose of it? That was the purpose of the commission, to find that out.

But he was puzzled. And the OFA had to put in a supplementary brief to sort of guide the commission along. I agreed with Jack Riddell yesterday in his comment that the

OFA has been co-operating in trying to make the commission effective.

The next one was a supplementary estimate on the data questionnaire. In their original brief, the federation really did a scathing analysis of the inadequacy of the questionnaire that was sent out to all of the businesses in the food industry—a questionnaire that was dreamed up by Laventhol and Horwath. I'd be curious to know how much money they're getting, but they're getting more than they deserve—or more than they're worth.

Mr. Riddell: If the questionnaire is any indication.

Mr. MacDonald: Exactly. And the federation presented a memorandum in which they included their questionnaire. I'll let the federation, at some point when they see fit, tell you just what the reaction of Laventhol and Horwath was to their daring to suggest they weren't getting the information they needed in the original questionnaire, and proposing a second questionnaire to them.

It's nonsensical. What they're doing is being hostile to the only people in that inquiry room who are on their side, assuming their side is to find out the facts in the food industry. They appear to be more friendly and more sympathetic to all the lawyers who happen to be there for the supermarkets, various processors and so on. But let the lawyer for the federation interject and he gets the kind of cutback, the kind of harassment that amounts almost to intimidation. And these are the people who are presumably on their side, assuming their side is to get the facts on the food industry. It is an extraordinary situation. In fact it is so extraordinary I think the time has come to speak out on it.

However, if you think I am a little bit harsh, let me proceed with a few other things. I have here, for example, the column of Jim Romahn, a respected farm reporter from the *Kitchener-Waterloo Record*, of last Friday, May 4.

Hon. W. Newman: You mean Jim Romahn.

Mr. MacDonald: Is that how it is pronounced? Good thing I haven't mispronounced his name to his face; I maybe would have got into trouble—a nasty column about me or something like that.

What he is doing is outlining the practices for discounts on milk to local institutions such as hospitals and so on. After he has outlined the practices in the Kitchener area he says: "The local buyer does give them a

pretty good idea about the percentage margins of their miss on the bid which is almost as good as a copy of the bid."

The argument is one cannot give this out because this is a trade secret. Trade secrets, you know, holy of holies—you cannot find out about trade secrets of any of these companies. It is their privilege to have these trade secrets—even although they are so questionable they should be made illegal.

He goes on: "The tip, and ease of confirming it in the followup, are just one more indication to me that this judicial inquiry is not being very aggressive in pursuing its mandate. I suppose it was to be expected." I am quoting. "The Tories opposed Liberal and NDP calls for an inquiry all along. Faced with a combined opposition, the government reluctantly caved in to pressure. Chief commission counsel Rodney Hull is a diligent Tory worker.

"I think he might be helping to ensure that his buddies in the cabinet and the Legislature won't be embarrassed by a string of attention-grabbing revelations. If the inquiry finds little or nothing and concludes that basically it's business as normal, the Tories will no doubt crow, 'See, we told you so.'"

Interestingly enough, this morning when Rodney Hull was on *Metro Morning* along with me, he made some comment to the effect that he did not want to get into these political ideas, namely the political ideas that motivated the comments of Jack Riddell and me yesterday. He didn't want to get into these political ideas.

The problem, Mr. Minister, is that the people who are following this commission are persuaded that he is in political ideas from the outset—Tory ideas; the way you want this to be handled; the way you said last August it should be handled; and he is picking up and doing it just that way. "A diligent, Tory worker"—not my words; Jim Romahn's words. But let me continue.

Hon. W. Newman: Are you sure he is a Tory? I don't even know what his political faith is.

Mr. MacDonald: Of course not.

Hon. W. Newman: Do you know?

Mr. MacDonald: No.

Mr. Riddell: If you ever attend any functions with him, you are not long finding out.

Hon. W. Newman: You mean we appointed a good man?

Mr. MacDonald: All you need to do is listen to his ideology in his discussing of the marketplace and its operations and you know

where he stands. Mind you, sometimes I have a little difficulty in distinguishing the Tory and the Liberal concept of the marketplace, but let's leave that aside for a moment.

Mr. Ruston: We know where yours is though.

Mr. Watson: No problem with that.

Mr. MacDonald: On this business of not being very aggressive in their questioning, let me give you another example. Apparently somebody from the Ontario Poultry Processors' Association came in and gave testimony in which they spent most of their time in the usual processors' attack on the marketing board. The Kitchener-Waterloo Record, March 17, carries a story as a result of that:

"Jim Chalmers of Bamberg, chairman of the Ontario Chicken Producers' Marketing Board, is livid about testimony given earlier this week at the judicial inquiry into food industry rebates, discounts and allowances. He said the commission staff failed to do its work so it can put sharp, probing questions to witnesses, and it is allowing witnesses to use the inquiry as a political platform to attack its favourite enemies."

[10:30]

In other words they have tough, sharp questions for the only people in this whole inquiry who are interested in getting to the facts, the Ontario Federation of Agriculture and their counsel. But somebody gets up and sounds off against marketing boards and nothing happens. They sort of drift through with no problem. Let me continue.

Hon. W. Newman: Do you believe everything you read in the press?

Mr. MacDonald: I believe this. Not everything, but I believe this. Does that make you feel happier or unhappier? Here is another story in the Kitchener-Waterloo Record. You ought to subscribe to the Kitchener-Waterloo Record; it will keep you up with what is happening in the commission.

Hon. W. Newman: We read the economics column quite regularly.

Mr. MacDonald: It is headed, "Assistant Counsel Quits Inquiry. Tim Brown, assistant counsel for the judicial inquiry into food industry rebates, discounts and allowances, resigned Friday. Tim Brown told the Record he had no job to go to and will take a holiday. He discussed his reasons for leaving on a confidential basis and said he may agree to make them public in a couple of weeks."

That is six weeks ago and he hasn't made them public, but it is an open secret why he left.

Hon. W. Newman: Is it?

Mr. MacDonald: Sure, he was dissatisfied with the operations of the commission. Every time he attempted to pursue things he got cut off, distracted on to something else. Don't carry your inquiry to the point where you get to pay dirt. That is not the point of this commission. However, let me continue.

"Observers and lawyers have at times complained that they have trouble remaining awake and say the inquiry is one of the least aggressive they have witnessed."

Now listen to this: "Art Gans, lawyer for A and P stores, said he worked as a lawyer on the staff of the royal commission investigating Air Canada and, 'When the witnesses left the chair they were shaken. We did our homework. Here they get up, make their statement, answer a few polite questions and pfft, it's a pussycat.'" Art Gans, the lawyer for A and P. I wonder if he is still the lawyer for A and P since he made that unguarded comment. But it is a revelation of what is thought by virtually everybody around the commission, Mr. Minister.

Let me continue. This is really the most disturbing of them all. You may remember in the resources development committee I raised an issue—it was drawn from Jim Romahn's column—about Catelli's contending they were cut off from putting their products with one of the supermarkets because they refused to pay, as I recall, some thousands of dollars for a listing or for shelf or something of that nature. This issue was brought up again. Rodney Hull wrote to me about it and I said, "Look, I got it from Jim Romahn's column. If you want to get the facts to pursue it, go to Jim Romahn."

Let me read you a paragraph from the Kitchener-Waterloo Record, April 21. It is the last part of a report. "Witness at the Food Inquiry Denies any Dirty Deals," is the heading of it. "The Catelli company lawyer objected when Murray"—Murray being the counsel for the OFA—"tried to get Dubuc to agree to file a copy of Catelli's answer to a questionnaire circulated by the grocery products manufacturers of Canada. It asked a full range of questions about company marketing programs including discounts."

In other words, what he was seeking was what the company had put in a questionnaire. A royal commission that is trying to get at the facts obviously would want that. But what happened, Mr. Minister? I continue the quote:

"Judge W. W. Leach ruled that filing the Catelli answer would put the company at a competitive disadvantage, and he said he does not want to see that type of information, even on a confidential basis. 'The commission

doesn't want to know trade secrets,' Leach said."

Mr. Chairman, it is ludicrous. What the hell is this commission doing? What does it think its objective is? How are you going to find out how discounts are manipulated and the advantages and the impact they have if you are not going to look into trade practices and so-called trade secrets?

We have just had the longest trial in Canadian history in which half a dozen—or was it four—of the top businessmen in Canada have been convicted and may go to jail for having fleeced the Canadian public of \$4 million in dredging scandals. Imagine what that trial would have done if they had said: "Look, we don't want to get into trade secrets; that's unfair; that would be revealing the competitive advantages a company has; that is sacrosanct information." What a ludicrous proposition.

The commissioner apparently doesn't know what his job is, or else he has so circumscribed his job, and so narrowly defined his terms of reference that he is not going to get at the facts. He is publicly hamstringing himself.

I want to ask the minister by way of conclusion on this, what are you going to do about it? The record is very clear that this commission is a buildup for a whitewash. It's not a whitewash yet, they haven't even reported, so it can't be a whitewash yet. But it's a buildup for one. Is that what you want?

What you've got, Mr. Minister, in this commission is the blind leading the blind; from the commissioner to the counsel to Laventhol and Horwarth, the research people. They didn't know anything about the food industry to begin with. This may be fair enough; but they are so overloaded with baggage and prejudices and hysteria-type concepts of the marketplace and how it shouldn't be disturbed that they don't want to get at the facts.

Somebody once rather cynically defined a committee as a group of people who pool their ignorance and rearrange their prejudices. This is a magnificent description of the operation of this inquiry up until now. They knew little about the food industry to begin with, and the people who can teach them, the federation of agriculture, are the people who get the slough-off.

So I ask you, Mr. Minister, what are you going to do? Are you going to continue to spend the money on a commission which responded to your directives—you signalled them last August as to what the view of the government was. I'll tell you, Mr. Minister—

Hon. W. Newman: Are you asking me a question now?

Mr. MacDonald: I'm asking you, and you will reply when it's your turn to reply.

Hon. W. Newman: I fully intend to.

Mr. MacDonald: I know you will. I hope you will, I'll be disappointed if you don't. Your replies usually bolster my case; that's why I welcome them.

Unfortunately, in the middle of this inquiry, Judge Ross, the original appointee, took ill. This government had a chance, if it knew anything of what was happening in that commission and the style and approach of Rodney Hull and the backup that he had hired, to have put in somebody who knew something about the food industry, someone who knew what the problem was and had the will and capacity to dig for it. It chose not to.

As a matter of fact, I quietly made a few suggestions of people it might consider if the government were really serious. I have come to the conclusion that the government isn't really serious; and I think it's time that you responded to the public on it.

Let me leave that and proceed if I may, briefly. Yesterday I quoted Murray Hawkins, a graduate of that exclusive club at Guelph now out at Alberta, and in light of our discussion of this food commission, I think his quote bears a little repeating. What he said was this: "The malaise of vertical integration permeating our retail markets envelopes the entire group of chain retail food corporations operating within Canada. The survival of independents and the processing-producing sector is at stake." That's just how serious is the situation that presumably the inquiry is at least nibbling at the corners of, and should be looking into.

What is happening is that you have a growing economic power in the food industry. The food industry today isn't a group of thousands of little-men independents; the food industry is increasingly a group of four or five conglomerates. They are integrated from the retail level, such as Loblaws, back through the Weston empire into the wholesalers which they own, to the processors which they own, to the transportation companies which they use to transport the food from the farm gate.

Dominion is the flagship of Argus Corporation Limited. The Argus empire owns not only the wholesalers who supply the Dominion Stores, but many of the processors who produce the product and many of the transportation companies that haul it. In fact, it doesn't even stop here. In the instance of

the Argus empire, they own and control Massey-Ferguson Limited, which builds farm machinery. They own and control Domtar Incorporated which produces a lot of the packaging for the food industry. They own and control advertising and broadcasting outlets, including CFRB. When you listen to your friend Gordon Sinclair extolling Dominion stores, he is extolling the corporate brother or sister, whichever it is. They are all part of the same empire.

This growing concentration of power is a threat, Mr. Minister, and for you who believe in free enterprise, it makes a mockery of free enterprise. It is increasingly restricted enterprise, at best an oligopoly. What this industry is doing is engaging in practices which this government hasn't had the guts to tackle, except on rare occasions.

For example, for years they used green stamps as a gimmick to sell their products. It created a sufficient uproar because of the added cost to the consumer and because of the nuisance value that finally the government moved. They made green stamps illegal.

We've ruminated about loss leaders. We've even had investigations that went on for 18 months into loss leaders under the food council, I think, and they came up with a typical namby-pamby reply and nothing was done. In Quebec, loss leaders are illegal, at least on major products like milk and bread, so they can't be used as a gimmick in marketing to increase the economic power of these people.

We have just taken a look at the discount situation. Let's take a look at the latest gimmick. The latest mechanism for increasing even further the domination of the food industry is the whole generic food product trick. I think, to be fair and accurate, and to reserve final judgement, the jury is still out on what is going to be the ultimate value and impact of generic food products. They certainly have lowered the price to the consumers to some extent, but whether the quality is as high or not, I will come to in a moment.

Generic food products were at least, in the first instance, regarded as being just another gimmick in the succession of gimmicks to increase even further the domination. You see, the domination which manifests itself in terms of cutting prices, Mr. Minister, and the point that shouldn't be missed, is they are not really cutting prices for the benefit of the consumer. They are just cutting prices in order to establish a greater share of the market. Their objective is to drive the other guy to the wall. They don't want free enterprise, they want monopoly

enterprise to the greatest extent they can possibly achieve.

The most authoritative study done on generic food products was done by the consumers' association and published in their magazine last August. They call it "the great shell game," and they analyse the four claims that were advanced for generic food products.

The first one is that there is innovative packaging. The second is there is no-frills, inexpensive labelling. The third is it is just big brands in plain clothing—in other words, the big brand companies are still making the generic products put out under the name of certain supermarkets. The fourth is they are better buys than the house brands. Do you know the result of the survey of each of these? False, false, false, and on the fourth one, variable.

There is no innovative packaging; there is no real cutting-out of costs in the manufacturing or in the marketing end of it. As for the claim the big brand-name companies were in effect being approached and were just providing the product under another name to satisfy the demands and requirements of the supermarket, let me read you their comment:

"We spoke to one of the distributors of generic products, Loblaw's, and found that most stores who market such products have a firm policy of getting products wherever they can be bought cheapest."

[10:45]

In the words of Loblaw's Bob Chenaux: "We often go to a small company which has no union and low overhead."

So it isn't true that your apple juice is just as likely to come from Libby's as from Archie's Gismo Apple Cannery. In short, what they are doing is going to, if I may put it as unkindly as possible, the sweatshops of the food industry, where they can get it cheapest. They get a little manufacturer or a little processor, who has a difficult cash flow and has a bank loan to meet, and Loblaw's comes in and says, "Look, I'll take 25,000 cases at such-and-such a price." The little guy has got his back to the wall so he agrees. But the food processors' brief is one of the most interesting that came before the commission saying that discounts are putting their people's backs to the wall increasingly.

What the industry is now doing, Mr. Minister, through generic products, is establishing domination through an abuse of economic power to whip and control the whole industry. They are extending that control of the industry by in effect saying to a processor, whether it be a brand-name processor or not, "If you want to give us this product, we'll take

50,000 cases but we'll take them at a dollar instead of the \$1.50 you want." An abuse of economic power. What that will do in the whole of the food industry, nobody knows. The jury is still out not only on the value to the consumer but on the whole impact on the industry.

Let me come to the fourth variable reaction of this study by the Consumers' Association of Canada. They took a look at dish detergents: "We tested three generic products, Dominion, Loblaws, and Steinberg's, and found that two of the samples, Dominion and Steinberg's, were lower in concentration than anything we had ever tested before. This makes Dominion and Steinberg's generic products half as good as the worst brand-name product."

So, when you are going for generics, Mr. Minister, if you do the shopping in your family, all I can say is "Consumer beware"; you may think you are getting a bargain when you are really taking a creaming, because the quality may be down.

This is another area which I suggest you have to take a look at. I am just touching on one or two aspects of the food industry, Mr. Minister, and then I am going to leave it because I come back to my original question that I want to put to you. My original question is, what is the division in the jurisdiction between yourself and Frank Drea?

Yesterday I reviewed what happened on the milk prices and how he came in with statements that were totally inaccurate, fictions of his imagination. They revealed a profound ignorance, to put it bluntly, of what happens out in the processing and pricing of milk. Are you going to let this kind of thing continue?

I raise it because I happen to have here the second chapter in the saga of Carnation milk. You remember it was raised in the House, as to what was happening in the rip-off of consumers as we moved into metrification. And the minister thought he had really devastated the opposition by saying there is no problem, it was just a mistake of a little clerk. You know, the funny thing about the clerk was that she used to be up in Sudbury, and then she was in Toronto, and now she's down in Niagara making the same mistake everywhere. Poor little clerk.

I happen to have here two cans of Carnation milk, and may I tell you these were brought to me by a constituent of mine and bought in a thrift store on Jane, at the corner of Trethewey, about three or four weeks ago, so they have nothing to do with the recent increase in the price of milk. They were manufactured, processed and put on the

market before then. As you can see, there is a drop in the content of the cans of 10 per cent. I give you my word, in terms of the grams it's down 10 per cent. So that in this new can here, the metric can, you are getting 10 per cent less milk. What's the price on the top? Thirty-six cents in each instance.

The minister said there was no ripoff. He was conned by the supermarket. He cons easily on occasion, not on other occasions. But sometimes he cons easily, if it means really intervening in the marketplace and doing something about it. That is a ripoff. I invite the minister to take a look at it. In fact, if he feels that poor today I'll even give him the cans and replace them to the constituent out of my own pocket.

Hon. W. Newman: As long as you don't send me an empty one like they did in the House.

Mr. MacDonald: These are full. These are full, Mr. Minister.

What is the division in the jurisdiction between yourself and the Minister of Consumer and Commercial Relations (Mr. Drea)? Have you any jurisdiction over the food industry beyond the farm gate, other than perhaps the quality of a product like beef, or something of that nature which is marketed in this province?

If you haven't any remaining jurisdiction in the food industry, when are you going to bring in an amending bill to take "Food" out of the name of the ministry? It was put in there in 1963 by Bill Stewart, presumably because he wanted the ministry to take a look at the whole food industry and not just the farmers' end of it. A wise move. Now you've handed it over to Frank Drea.

I repeat, how much of it have you handed over to Frank Drea? Is this kind of thing in your jurisdiction? When Frank Drea gets up and makes positively inaccurate statements with regard to milk pricing, what do you do about it? Take him out for lunch? And give him the facts in the food industry?

Mr. Riddell: Along with some Carnation milk?

Mr. MacDonald: Well, I look forward to what the minister has to say on that.

Now, I am sorry this is going on for so long, but I have a couple other items. I'll try to deal with them as cheaply—

Mr. Watson: As cheaply as possible.

Mr. MacDonald: Did I say cheaply?

Hon. W. Newman: Yes, you said it right there.

Mr. MacDonald: As briefly as I can.

Mr. Lane: You were right the first time, Donald.

An hon. member: Cheer up.

Hon. W. Newman: Have you got a metric glass of water there or is that the other kind?

Mr. MacDonald: I wish it were Sir John A's drink of viscous fluid!

I want to touch briefly on two of the major issues in the agricultural industry today, and they are both closely related. The one is how you are going to solve that long-standing, oft-neglected, long-meddled-with problem of stabilizing farm income so that farmers aren't the victims of boom and bust. Their costs are always outrunning their returns, so that they are always in the cost-price squeeze.

The second and a related problem is, when will you develop a policy which will genuinely protect prime agricultural land? I don't want to spend much time on the preservation of prime agricultural land. The Liberal critic reviewed the situation yesterday, but after four or five years of studies and consultation with everybody out there and another green paper or white paper or blue paper, or what not, we finally have guidelines. They are guidelines that are so weak as to be without any backing in law.

Let me sum up my view, which is essentially the same as the view expressed by Jack Riddell, by quoting one paragraph from the guidelines. "The food land guidelines will be implemented over the next few years." No deadline to speed them up. "As new official plans are introduced and old plans are updated, where a change to an official plan establishes a new area for development, it is expected"—now isn't that delightfully permissive?—"it is expected that procedures in the guideline will be followed." The minister mumbles there is backing in law. How do you get a backing in law when you say to a municipality, "It is expected that you follow the guidelines"?

"Municipalities with official plans not in conformity with the guidelines are encouraged"—"are encouraged," again delightfully permissive—"to review and update their plans."

"Over the next three to five years, with plans now under review, and the regular amendment of plans, it is expected"—again, no firm requirement—"that official plans will be brought into conformity with the guidelines."

It's an interesting expression of hope. What we've got in the province of Ontario, Mr. Minister, today with regard to prime agricultural land is destruction by instalment.

Hon. W. Newman: Nonsense.

Mr. MacDonald: The city of Hanover wants to expand and gobble up another 200 acres in opposition to the Ontario Federation of Agriculture and to the farmers and others in the area. The OMMB then comes in with a decision and says, "No, you can't do that." The government intervenes and then orders another rehearing so that now we may have the right to do that rather than going on to less valuable land.

Hon. W. Newman: You mean the OMB, not the OMMB.

Mr. MacDonald: You are right, OMB.

Hon. W. Newman: I just wanted to make sure.

Mr. MacDonald: The government gives permission to another 200 or 300, or 500 or 600 acres for a playground up at the corner of Major Mackenzie Drive and Highway 400. Nobody is arguing against some free-enterpriser wanting to develop more recreation, but why must you do it on prime agricultural land on a congested traffic artery? What's going to happen on the agrominium, that great project promoted by Bill Stewart as the counsel and adviser and consultant for the developing company, in violation of all the stated—

Mr. Riddell: A complete change in attitude since he got away from the ministry.

Mr. MacDonald: —policies of Bill Stewart? The best example of what's happened to prime agricultural land in this province is the Niagara Peninsula. A generation ago there were 38,000 acres of fruitland in the Niagara Peninsula. Last year, you and the late John Rhodes announced that another 4,000 acres were going to be made available for urban development, and it's now before the OMB and quite a battle. Maybe they will block it if you don't walk in and supersede their decision once again, or overrule their decision in one way once again.

Those further 4,000 acres which you have authorized for other than fruit land use bring the amount of fruitland in the Niagara Peninsula down to 19,000. In short, half of the precious, irreplaceable fruit lands of the Niagara Peninsula are gone or in the process of going—destruction by instalment. Some day we are going to have a government that has the guts, the commitment to grasp this nettle, and some day when this government has taken other action in another area, and that's what I want to come to, perhaps we'll get even enough cohesion in the farm community, so that the farm community won't be divided and be a sitting duck for the government to come and play on divisions

and end up with a weak preservation of agricultural land.

In all fairness or in all accuracy, it must be said that the Ontario Federation of Agriculture stand on preservation of farmland is not the strongest and firmest. Those of the Christian Farmers' Federation and the National Farmers' Union are, but not the federation of agriculture, because there are too many farmers living in the urban shadow who want to keep the right to sell their farm for one million bucks and to hell with the fact that you are destroying one of the prime assets for foodland for food production for future use.

That's the problem. How are you going to break into this vicious circle? I'll tell you, Mr. Chairman, how you are going to break into it: you've got to have an effective farm income stabilization. That's what I want to come to. Dare I put it into a context that may be a little bit provocative? The only government in this country which has tackled these two major issues and manifested a commitment to do something about it, not just idle rhetoric but a commitment, was the Barrett NDP government in British Columbia. It will be interesting to see what happens tomorrow night.

About two or three months ago, or two or three weeks ago—I have forgotten now—the federation of agriculture held a seminar on stabilization at the downtown Holiday Inn in which your research man, Dr. Haslett, was there speaking on behalf of Ontario's views. They had added Jack Wessell, who happens to be the BC Federation of Agriculture representative. What Jack Wessell said was that the federation out there supported the government when they moved to establish a land commission which would have the backing of law to provide real protection and preservation of prime agricultural land. They backed them up.

I'll let you in on a little secret if you are not aware of it. They made a big mistake, strategically, out in British Columbia in the Barrett government—one of its many mistakes, I would concede, but the people may forgive them tomorrow night as they take a look at the consequences: the Social Credits supported by the federal Tories and the weak-kneed provincial Liberals' coalition of old party supporters.

[11:00]

Mr. Gaunt: Easy now, you were doing well.

Mr. MacDonald: Yes, I was doing well, but I just wanted to give you the full flavour of the situation out there where one government had a real commitment to agriculture.

The Tories and the Liberals and the Socreds fought the land commission idea. There was a real storming of the Legislature in Victoria, including farmers, because the farmers said: "Why should we be denied the right to sell our land until agriculture is put on a viable economic basis?" They didn't really believe the government was going to bring in a stabilization plan.

Those of you who were at the seminar organized by the Ontario Federation of Agriculture on farm income stabilization heard Jack Wessell. They are very happy with their stabilization plan. It is a stabilization plan that was worked out by the farmers in conjunction with the New Democratic government. It is a stabilization plan which the Socreds don't dare destroy. Indeed, they are now claiming it as their own and they have improved it with what they deem to be improvements along the way. It is a stabilization plan which isn't, as Bill Stewart used to argue, bankrupting the province. It is costing about \$20 million a year.

Hon. W. Newman: Get your figures right.

Mr. MacDonald: Twenty million dollars a year.

Hon. W. Newman: It varies from year to year; check last year's figures.

Mr. MacDonald: On the subject of finances, Jack Wessell, BC Federation of Agriculture, at the seminar said:

"On the subject of finances, I want to make it clear that with the exception of the first plan where they had some problems, all of the commodity funds established by the program are in a surplus or balanced position. The BC Federation of Agriculture believes that this reflects most favourably on the veracity of the program and we are naturally very pleased to be able to report that the program has now been adopted and supported by successive provincial governments in British Columbia representing both sides of the political spectrum."

That one side is rather cluttered and amalgamated and what not. However: "The average cost per year of the program to the provincial treasury has been \$20 million and as markets for the different commodities improve, this figure will substantially be reduced."

I prefer to believe Jack Wessell rather than your interjection, Mr. Minister, because you and your predecessor have spent all your time misrepresenting the cost.

Hon. W. Newman: I talked to the minister out there, that's all. He tells me differently. That's all I am saying.

Mr. MacDonald: Maybe he harbours some antagonism to the plan, as I can quite well believe, and therefore is privately expressing his doubts while publicly not daring to oppose it because he knows he might cut his throat from ear to ear if he did.

Hon. W. Newman: Look at his estimates.

Mr. MacDonald: What they established out there was an effective stabilization plan with which the farmers are happy. Voluntarily, 90 per cent of the farmers in British Columbia are in the plan, which is not costing a great deal and which is a legitimate expense on the part of any government with a commitment to fit agriculture into its industrial strategy.

If this government has an industrial strategy and an incentive fund of \$200 million to assist certain industries, I think it is time this government treated that fund as though it were something other than what I described yesterday, and that is an outdoor relief department for the corporate sector with grants that are handed out free to Ford or to Ford or to somebody else.

The agricultural industry is the basic industry in this province and the domestic base of the food industry in our agriculture is dwindling. It is becoming smaller every year because of the failures of this government and the federal government, Tories and Liberals, to do something about protecting Canadian farmers from the dumping of exports from the other side.

The whole purpose of that seminar on stabilization was to discover how you are going to harmonize the Ontario plan with the federal plan. Interestingly enough, the minister stated in the speech he gave to the York County Soil and Crop Improvement Association on January 24 this year:

"The federal government is proposing a plan that will cover 100 per cent of the current cash cost plus the margin—and the margin is the difference between average Canadian market prices and average Canadian cash cost of production—over five years. This is the kind of plan I have been pushing for for a couple of years, and I am certainly in favour of the broad concept."

I judge from that comment the minister is rather happy.

Hon. W. Newman: Go on reading. I didn't read it, I ad libbed the rest of it. Read on.

Mr. MacDonald: You don't put your ad libs in your text?

Hon. W. Newman: No. I very seldom follow them.

Mr. MacDonald: You mean the important part of your speech you leave out of the text?

The important part of the speech that makes it intelligible you leave out of the text?

Hon. W. Newman: No.

Mr. MacDonald: I have quoted accurately. Don't dispute your own speech.

Hon. W. Newman: I am not disputing that at all. I said "in principle."

Mr. MacDonald: Dr. Haslett spoke at the seminar with regard to the impacts of this plan in Ontario. He pointed out the difference between the federal program of a guaranteed margin in addition to covering 100 per cent of the cash cost for this year, as compared with the old program which was 90 per cent of the market price over the last five years plus another five per cent which this government put in. This is the difference as calculated by Dr. Haslett:

On hogs, the new federal plan would give the farmers 96 cents more. The extra that goes on the federal plan plus Ontario's is 73 cents. On slaughter cattle, it is 66 cents more. The Ontario plan piggy-backed on to the federal one is 44 cents more. On cow-calf, it is 16 cents less per hundredweight. The Ontario plan piggy-backed on the old federal one was 65 cents less.

On soya beans it is three cents per bushel more. The old federal plan with the Ontario piggy-backed on it, was a one-cent addition to the producer. On corn, it is five cents in the new federal proposal, while it was only one cent on the old plan.

In other words, it is marginal increases, fractional increases. Indeed, in the instance of cow-calf which they are proposing to bring in in the federal plan, it is actually a drop. Are you happy with that, Mr. Minister?

Let me quote the comments of Jack Wessell from BC. He has two comments: "The fundamental thing that will not allow harmonization of the two programs is that the guaranteed margin of 100 per cent is a plan that seeks to provide that things won't get worse quickly"—that is the whole purpose of the federal stabilization plan up until now and of this government's plan: not to give the farmer security of income, but just to avoid his getting into a disastrous situation, not that it won't get worse quickly—"whereas, farm income insurance in British Columbia is looking for a fair income for producers. FIA doesn't concern itself with whether things should get worse or better; it is a mechanism that has been designed in order to secure a different objective."

There is only one province in this country that has a plan designed to give farmers security of income and not hang on to this old concept of a disaster fund. When the

farmers are clinging by the tips of their fingers on the edge of the cliff, you throw out a little to hold them from dropping down into the chasm altogether. That is the approach of your stabilization plan and that is the approach of the federal stabilization plan. That is why they are forced to improve it because it is obviously not satisfactory.

Now the federals want to harmonize it, because obviously it would be unwise to have different provinces with different plans. You would get higher prices in one province and you'd distort the whole production pattern in this country. But what does harmonization mean? I thought Jack Wessell was rather acute on this. He says: "I think people behind the new federal initiative on stabilization have their hearts in the right place. I think they really want to do something, and as far as it goes the program they've proposed is a good one. But, in British Columbia, we've got some quarrel with their definition of harmonization. My wife would surely divorce me if I harmonized our problems in the same way that the federal government is attempting to harmonize its approach to the stabilization with British Columbia. After some months now, we at the BCFA have finally come to appreciate what the feds mean when they say 'harmonize.' It means 'do it my way.'"

Now the minister says, and I quote, I repeat, "This is the kind of plan I've been pushing for for a couple of years, and I am certainly in favour of the broad concept." Are you really in favour of it, in light of the marginal, minimal increase in terms of farm income security that it is going to give? Or, let's be truthful about it, isn't the new federal plan really in the same concept of a disaster kind of relief arrangement, as is the federal—somewhat improved—and therefore you're happy with it?

I will go back and conclude with this. What the Ontario Federation of Agriculture in their brief said this year is that what they're looking for from this government is a genuine commitment to agriculture, a 10-year program that will establish that commitment, placing agriculture in its industrial strategy program, and coming in with a genuine farm income stabilization program. When you've got a genuine farm income stabilization program, then you can say to the farmers of Ontario, for the whole of society's benefit and future generations who need the food which you can produce and which your land can produce, "We're going to protect agricultural land. It can't be sold for anything other than food production purposes, except in rare and carefully examined exemptions." That's the kind of commitment which I think the fed-

eration of agriculture was seeking. They haven't got it in the past, and I doubt whether they're going to get it this year.

Mr. Chairman: Any other member want to comment before the minister replies? If not, Mr. Minister, I think perhaps you'll reply to both critics.

Hon. W. Newman: Just give me a second, Mr. Chairman. I just took a few notes as I was going along here. I think I'll start out with Mr. Riddell's comments as of last evening and I think he started out on the royal commission.

Mr. McKessock: Mr. Chairman, Mr. Riddell is going to be out for five or 10 minutes. I just wondered if you could respond to Mr. MacDonald's first. I think Jack would like to be here when you respond to him.

Hon. W. Newman: I'm in the committee's hands.

Mr. Chairman: I think that's the minister's own prerogative. He cannot arrange to accommodate a member if he's not here. That's up to the minister's own wishes what he wants to do.

Hon. W. Newman: Mr. Chairman, I'm in the committee's hands. I'm easy to go either way.

Mr. Chairman: Well, if it's convenient to answer Mr. MacDonald, that's an act of courtesy.

Hon. W. Newman: Certainly. First, I think the first item that Mr. MacDonald started out on basically was the brief of the Ontario Federation of Agriculture that they presented to the cabinet the other day. I think the news release that they released two days early might have been a little bit critical of the government, but I think that if you had been there the other day when we met with the federation of agriculture, I think we had a very good meeting, and in several places in the brief they commended us for what we were doing. They were also suggesting that we should have more money to do more things, which we'd all like to have in all the ministries. As you know, this government is under constraints. We're trying to reach and work towards a balanced budget.

[11:15]

I think one of the things you're forgetting—and I think I should draw it to your attention—is that we did have supplementary estimates last year. Somebody, I think, brought up the fact that that did bring our total costs up over last year. Also added to our capital grants programs this year, the final figures for which I just received today, are total claims of about \$25 million, which we said we would

honour. There was \$10 million in the budget for it last year.

But let's talk about last year's budget and the total amount of money in this year's budget. In the printed estimates book you've got the figures. You all have copies of them, I'm quite sure. I think you're forgetting a few things that should be added to that list. One is the provincial lottery funds which have been allocated to the Ministry of Agriculture and Food for research work.

We're forgetting the \$2.5 million that were paid out by the Ontario Development Corporation. We're also forgetting that the Ministry of Government Services does all the building for us at all our research projects and all the building projects we have for the ministry. So if we wanted to really change the budget, we could pull all those items out of various other ministries. The Minister of Northern Affairs (Mr. Bernier) has money in his budget for agriculture, which we administer for him. You could nitpick about the budget all you like, but I would like to just mention those.

I also want to dwell on the \$200 million Employment Development Fund. The Premier (Mr. Davis) stressed this the other day with the Ontario Federation of Agriculture. I've talked to the Treasurer (Mr. F. S. Miller) about this fund, the main purpose of which is to create employment and jobs—in the agriculture industry very much so.

The federation has talked about the processing industry. I have concerns about this industry, and I have talked to the Treasurer about it. As a matter of fact, I had a meeting with a major group only yesterday, I believe it was, who want part of this fund to develop an import replacement program for certain products. Needless to say, I won't mention the company because some of their competitors are also very interested in getting into this business.

Mr. MacDonald: That would be a trade secret.

Hon. W. Newman: That's right. We have other companies coming forward now. I am involved on the board of this development fund. It is administered by the Ministry of Industry and Tourism. The chairman is the treasurer and I'm very much involved in it myself, because we realize a lot of jobs can be created in the agriculture industry. A lot of this \$200 million will probably go towards the agriculture industry—the processing industry primarily and new commodity development.

Mr. MacDonald: How much?

Hon. W. Newman: I don't know how much at this point. I'll come back to this later on,

as well as to some of your other remarks. You like to prejudge everything. I'm just telling you this \$200 million fund, if enough projects come forward, if we have enough people interested in developing certain things in the province with the encouragement of this fund, then certainly it will be available for agriculture—very much so. I think the Treasurer and the Premier also made this very clear to Mr. Peter Hannam when they were discussing the \$200 million fund. It was well understood that a lot of it would be used for the food processing industry and the agriculture industry in this province.

You said we're importing a lot of stuff. We're exporting. Our exports of agricultural products amount to \$750 million.

Mr. MacDonald: And your imports are \$1.5 billion.

Hon. W. Newman: Yes. And we're working towards—

Mr. MacDonald: And even you say they can be cut in half, so there's your story right there.

Hon. W. Newman: Right on.

Mr. MacDonald: Right on.

Hon. W. Newman: If you want to answer my comments, fine. But I think one thing you are forgetting is something I have been fighting for ever since I have been minister. The federation of agriculture has been fighting for it also. That is an equitable break in the negotiations on the General Agreement on Tariffs and Trade. A lot of the agricultural aspect has now been supposedly settled. We fought hard for it in Ontario and under tariff reference 152 we did get some concessions—not the ones we wanted or as much as we wanted, but hopefully we have got some.

What upsets me is they can drop tariffs on certain commodities in 24 hours. Whoever forms the new government will have to wait until next fall, but I know they will act very quickly to implement the GATT-negotiated percentages. We have gone from cents per pound, which was a very drastic situation set up in the early 1930s, to a percentage, and I think that was a step in the right direction.

You talk about imports; we were the dumping grounds of cheap products here in Canada. I was in Geneva myself talking to the appropriate people and I have been in Ottawa talking to the appropriate ministers. I don't have to go through all of that to say we have pushed very hard. I think as a result of the federation's efforts and our own efforts—I have been working on them for three and a half years—we have made some pro-

gress in the GATT negotiations. There are many companies at this very moment who are reassessing their whole situation, based on the new tariff structures that have been negotiated at GATT.

We have some concern over the announcement recently that there is going to be exporting of cheese to the European Economic Community. We all know in the EEC they have milk coming out their ears; about 25 per cent of their total budget goes into the milk industry over there. They are going to allow us to export cheese to the European Economic Community and I think that is great, but I don't know what sort of tradeoff they made in order to get this deal. That does concern me because I think the specialty cheese industry may increase imports of specialty cheese from the European Economic Community. I don't know. They haven't told us the tradeoff; they have just told us they made a deal. If you make a deal to sell so many million pounds of cheese, I think it is great as long as the tradeoffs aren't that detrimental to our province and to our country.

I mentioned we have \$300 million in exports. We have reorganized the whole ministry in the marketing end to be geared more for exports and for domestic consumption. I think you will agree that the Foodland Ontario program has been very successful in making our consumers aware of the products we are growing here.

I try once a year to go on one mission myself. We have several missions going out and they have all been very successful. Just to give you a small example, as a result of our visit to Japan—Mr. Nixon, I guess, mentioned this yesterday—we had I think it was six or eight major importers into Ontario this year. They were buying products for Japan—some finished products as well as raw products—which is a very encouraging sign. It is like everything else; if you want to sell it, you have got to work at it.

Mr. Riddell: How do you assess how successful your Foodland Ontario program has been?

Hon. W. Newman: We did an assessment in two ways. We did an assessment of the vegetable promotion a year ago January or February. I don't know whether somebody has the actual figures here, but we had increased sales over a three-week period of certain commodities.

We actually did work with the chain stores to see what their increased sales were. Some of the commodities were up as much as 1,200 per cent in sales over those previous

three weeks. I had all those figures; I just don't have them on top of my head. I don't know whether anybody has got them here, but I used them in a speech one time to show the tremendous increase in sales of products.

It is particularly when we have products in surplus that we try to promote those particular ones. For instance, as you know, we have a lot of onions this year and there has been a major promotion on onions that has been going on for some time; we are moving a lot of onions out. Another good example is that we had perhaps the largest apple crop in history last year, yet we will be out of apples in this province within a month.

Mr. Riddell: Is the promotion through price reduction, or strictly through advertising?

Hon. W. Newman: Just through advertising promotion of Ontario products. That is the home promotion we have in the province. We also work with the various marketing boards to help fund them in their promotional programs. This is what we hope eventually will take over: the marketing boards come in with the promotional program for their particular commodity and we do pay up to—I have just forgotten the exact amount—I think it is \$25,000 or \$50,000—we don't have those people here today I don't think—to that marketing board to help them with the promotion of their product.

For instance, we helped the turkey board with its promotion. The milk board has a very effective program of its own—it has more money to work with than we do. But we do work with the various boards and we have had a very good response. Last year there was some concern about moving the fresh peach crop out, but it moved out without any problem at all.

By and large the marketing boards have been very pleased with the program and consumer awareness of Ontario products. We also did a survey and 80 per cent of the people would like to buy Ontario-grown products. This survey was done in cities of 25,000 and up across the province, and by and large the consumer, the housewife, wants to buy Ontario products.

The program has been successful, and before we are finished and when we get into the details of it, we will give you the actual figures of the increased sales during those promotional periods.

As you know, many of the companies now are actually putting the Foodland symbol on their packaging. Of course, that doesn't happen overnight because they have to run through the packages they have in stock; but we are getting more and more people with

the Foodland symbol on their packages. I think apples have it on now and some of the baskets, saying "Good things grow in Ontario."

We ran an ad just about three weeks ago to show where on a comparative basis you could buy two pounds of Ontario carrots in a package for half the price of two pounds of imported carrots. You could buy fresh McIntosh apples for about half the price of imported Granny Smith apples. I think this is important. Not only does it help the consumer realize that many Ontario-grown products are more reasonable, but they also are just as nutritious and just as good, if not better, eating.

Mr. MacDonald: Does your survey take a look at annual figures rather than the short-term comparison during a promotional period? Surely that is the more relevant thing. If at the end of a year you find there may have been a spurt in April, or whenever, when you had a promotional program, but at the end of the year the amount of sales is essentially the same—

Hon. W. Newman: In a speech last night I said our domestic promotional program, Foodland Ontario, has already had numerous successes. These included an increase of 16 per cent in sales of greenhouse cucumbers and an increase of 15 per cent in turkey sales over the previous year. We have other figures which we will get into when we get into the details of the Foodland program.

We think it is an excellent program and we have had a lot of good comment on it. We want the Ontario consumer to be much more aware of the fact that we do have good things in the province at reasonable prices.

Mr. McGuigan: With reference to peach growers, it wasn't Newman who created the peach market last year, it was the weatherman.

Hon. W. Newman: But if you remember, Jim, earlier on there was some concern on the estimate of the actual crop of peaches—it was estimated to be higher than it actually was. But by the same token, for the first time in the history the peach growers in this province actually exported fresh peaches by airplane to the United Kingdom market. They sold over there for I think about \$22 a basket and they made a repeat order.

So we are looking to new markets all the time, as I think you can never be sure. We still don't know this year how much damage was done to the buds because of the cold winter. But certainly the promotional program helped.

Mr. McGuigan: I am not saying it didn't help.

Hon. W. Newman: Listen, we work with the boards and we have excellent co-operation with the boards.

[11:30]

Mr. MacDonald: What is your answer to my question as to the sustained impact of Foodland promotions? Sure, it can go up, following a great promotional effort, by 50 per cent, 100 per cent, 1,200 per cent, whatever you will. But, at the end of the year, what has been the sustained impact?

The reason I ask, Mr. Minister, is that I was interested in a speech given by that flaming meteor of the food industry, David Nichol of Loblaw's, to the Canadian Food Processors' Association, in Halifax, last summer. His comment was this: "In the long run, this change in buying process will revolutionize supplier-chain relations. For example, categories will be run more and more on a planned, annual basis and less on a deal-to-deal, hit-and-miss basis."

You're very much aware that if you get up into Timmins, Thunder Bay, North Bay or Sudbury, where there may be growth of a produce locally, the supermarkets aren't interested in buying that. Why? Precisely for this reason: They've got a long-term contract to get it from Florida or somewhere else.

My interest is in knowing what is the sustained impact over a year, and not just over a two- or three-week promotional period.

Hon. W. Newman: For instance, we probably have the largest onion crop in the history of the province. The onion crop is moving out and we are getting co-operation in the stores. You'll see onions featured almost regularly. That's not our program. That's the co-operation we are getting from them to sell our onions, because we have a surplus of onions.

As for the actual figures over a period of a year, I have already given you some and, when we get to the details of that particular vote, I will have the other figures here for you.

Mr. Riddell: Donald is absolutely right, though. I got a call from a farmer up in the Owen Sound area who's growing quite a substantial acreage of tomatoes. He told me there's no possible way he can get those tomatoes into the chain stores. They just don't want them. He can put them in cheaper than what they're probably obtaining them and selling them for, but there's no way they'll take his tomatoes.

Hon. W. Newman: Why? Is that because they want a steady supply?

Mr. Riddell: I suppose they want continuity of supply. And they're not going to discourage their supplier, whether he's somebody down in Florida or whoever it is. But surely to goodness our own farmers have to be recognized in some way.

Hon. W. Newman: That's right; and they certainly should have been recognized 25 years ago. But the trouble is we're going to have seasonal surtaxes put on certain commodities at certain times of the year; and so they should be. Let's not kid ourselves; the Canadian horticultural industry, which is mainly concentrated here in Ontario, cannot compete with the sort of climatic conditions they have to deal with down there. Green-house tomatoes here can't be produced for the same price as they can in the open sunshine of, say, Mexico.

If we're going to have our own products here, we're going to have to have a fair break in the General Agreement on Tariffs and Trade; we are getting some breaks in that, which will help a great deal for our own producers right here in Ontario.

If there are any other questions as we go along, I don't mind.

Mr. Riddell: Before you leave that—this will be of interest to Donald MacDonald: You talked about apples. Why is it that very frequently you will find, when you go down the list of advertisements of the chain stores, there's as much as 100 per cent markup on Ontario-grown apples in the stores?

Hon. W. Newman: If you're getting into the markup on apples in the stores, that's another matter that's being dealt with to some degree. I'll come to that too.

What I am saying is, right now the Apple Marketing Commission by and large sets prices for apples. There has been a bit of a problem that came up at the hearings—

Mr. Riddell: Prices to the producer.

Hon. W. Newman: That's right.

Mr. Riddell: But I'm talking about once it leaves the producer's gate; you'll find there's as much as 100 per cent markup in your chain stores. Maybe Jim McGuigan knows more about it than I do.

Hon. W. Newman: I'm sure he does. But, by the same token, I don't think the apple growers in Ontario did too badly last year, even on juicer apples, as far price was concerned.

Mr. MacDonald: You're ignoring the point. The consumers of Ontario are getting food at the cheapest price relative to their disposable income of perhaps anywhere in the world, but they're still paying too much.

Hon. W. Newman: That's your opinion.

Mr. MacDonald: That's right.

Hon. W. Newman: You say the chain stores are charging too much. My primary concern is to make sure the farmers get their fair share of the market.

Mr. MacDonald: So you're forgoing the food industry. Is that your answer to my latest question? Total?

Hon. W. Newman: No, I'm not forgoing the food industry.

Mr. Riddell: Wait till we get there.

Mr. MacDonald: Don't contradict yourself when you come to that, because you just said your interest is in the farmer and not beyond there.

Hon. W. Newman: I'm interested in the farmer: I'm interested to see that a decent sort of a living and—

Mr. MacDonald: And to hell with the consumer.

Mr. McGuigan: Maybe he's not getting enough if they can put on a 100 per cent markup after it leaves the farm gate.

Mr. MacDonald: Touché. Leave it to Frank Drea; he'll storm in.

Hon. W. Newman: One of the questions that you brought up was the name of the ministry; why do we call it Agriculture and Food? We go beyond producing food in the agriculture and food industry. We do inspection work on food, veterinary services work, meat inspection, research on the quality of food. My simplest answer to you is that if what we're growing on the farms is not food, I don't know what you'd call it.

Mr. MacDonald: No, but you aren't answering my question. What jurisdiction, if any, do you have left, in what was originally the responsibility of the Ontario Food Council, to monitor the food industry?

Hon. W. Newman: You wanted the food council disbanded. And we disbanded—

Mr. MacDonald: Will you answer my question?

Hon. W. Newman: I did answer your question. You're double-talking yourself. Just sit back and think about it for a second.

The monitoring of food prices—if you weren't in the House you're welcome to read Hansard—was covered very thoroughly by the Minister of Consumer and Commercial Relations (Mr. Drea) in quite a lengthy statement in the Legislature—

Mr. MacDonald: That would disturb me!

Hon. W. Newman: I'd invite you to look at the Hansard and then you'll understand better.

Mr. MacDonald: But do you have any remaining responsibility for monitoring the food industry? Can you answer yes or no?

Hon. W. Newman: We do not monitor food prices, at the chain store level.

Mr. MacDonald: To what extent do you monitor trade practices? Will the report of the commission on food discounts come back to you and will you have any responsibility in this regard?

Hon. W. Newman: I think there's a misconception. I'll just touch on that right now.

A royal commission was established by the government of Ontario to look into discounting practices. You know because you've got a copy of the order in council there. Judge Ross became sick—I think you know the whole story—you were called and contacted, so you know that. Judge Leach was put in charge of having this inquiry.

I'm going to jump down to your comments on that. You are prejudging what they're going to do. You are really saying to me, at least, I assume you're saying to me, "Look, Newman, call up the judge and tell him how to run it." Is that what you're really saying?

Mr. MacDonald: He's had some advice and he's not taking it.

Hon. W. Newman: You want me to interfere with the process of justice, do you? You asked for a royal commission; we have a royal commission. The royal commission is working and we can't prejudge what they're going to do or anything else. You can assume all you like, but I happen to know, and the only time we do get involved is if something comes up that's illegal against our acts.

The judge is there to do his job. Anybody who has come forward was asked to give evidence in camera to him. He's granted that. He's had many meetings in camera with people whose names will never be disclosed in his final report. I think he's been most co-operative in that respect. We've had somebody there monitoring the proceedings. I just got a note here about something else you said, and that is that Art Gans specifically denied having made the comments attributed to him in the Kitchener-Waterloo Record that the commission was too easy on witnesses. He specifically denied having said this. Now you didn't bring that out.

Mr. MacDonald: I didn't know that he'd specifically denied that. I'm not surprised he denied it, but I didn't know he had.

Hon. W. Newman: He specifically denied it. Also, many times the chain-store lawyers

were cut off by the judge as well. I've just had this note handed to me, so we are monitoring what's going on.

Maybe you're just a little biased and wanted to let your biases show. The judge and the commission do have the authority. They will report back to the Lieutenant Governor in Council, which is the proper procedure, which then goes to the Attorney General and of course from there to cabinet. Everybody thinks that I appointed the judge. I did not appoint the judge. That's done by the Attorney General's department. You're well aware of that. You've been around here a lot longer than I have and I'm sure you're well aware of how royal commissions work and how they operate.

Mr. Riddell: But interestingly enough he was appointed on your recommendation.

Hon. W. Newman: It was not on my recommendation. Originally, I knew Judge Ross. I knew he'd done a good job in the egg situation and I suggested him. Certainly, the Attorney General got a judge who he felt would do an adequate job and he was appointed to do it. I think for somebody to suggest the man on the bench is not doing his job properly is not fair. Not only it is not fair, but here we are in the middle of it, or maybe only partway through it, and you're already prejudging what he's going to do.

Mr. MacDonald: I said what's happened so far is a buildup to a whitewash.

Hon. W. Newman: You're prejudging. I don't know how many days we sat in here last year, but a lot of time was put in here discussing this whole matter. A royal commission has been appointed. It isn't even half finished yet and you're prejudging what's going to happen already. I don't know what would satisfy you. I suppose you would have liked to head the inquiry yourself and been appointed to the bench.

Mr. MacDonald: I am reflecting the concerns that are out there, and you can read and I put them on the record.

Hon. W. Newman: You put on the record what you read in the newspapers.

Mr. MacDonald: That's right.

Hon. W. Newman: Sure.

Mr. MacDonald: Of course.

Mr. Riddell: You can see there's less than great enthusiasm when you attend some of the hearings, too.

Mr. MacDonald: Did you read Peter Hannam's comment this morning?

Hon. W. Newman: No, I haven't read his comments.

Mr. MacDonald: He wrote in the *Globe* and *Mail* he's less than satisfied with the procedure of the commission.

Hon. W. Newman: That's fine, he may be less than satisfied and you may be less than satisfied, but there is a royal commission. We appointed it, but it's not our inquiry. It's an inquiry by an independent judge and the staff he wants. He's been told by the Attorney General he can have whatever staff and back-up staff he needs. There is a royal commission. I don't see you going on at great length saying it's going to be a whitewash and everything else. You are reflecting on a man's integrity before you even give him a chance to come in with a report. I think that's very unfair.

Mr. MacDonald: You can go off on your little tangent.

Hon. W. Newman: No. No.

Mr. Riddell: Rodney Hull probably has copies of Hansard from our resources development committee deliberations and knows full well the attitude of the minister, or what it was.

Mr. MacDonald: Sure.

Hon. W. Newman: Regardless of whether you read Hansard or not, I would hope he, and I would hope anybody who's involved including the judge, would have read Hansard and the comments made by your leader and by everybody who sat on this committee. I would hope they would at least do that. I would think they probably would read it.

Mr. Riddell: I would hope so too. The point I'm trying to make is you are less than desirous of having this thing investigated by a royal commission. You wanted the Ontario Food Council to conduct the investigation, but we told you it was practically a defunct body at that time. What were they going to do?

Hon. W. Newman: I said it was to be done under the food council act. Forgetting that, we have a royal commission and if you want to spend time talking about the royal commission while it's going on, that's fine by me. I don't know whether we legally can or not, but I don't give a darn. I am quite prepared to discuss it at any time, and I am quite sure it will be reported in the press, as it was this morning. I'm sorry you gave your release at 8:30 last night, hoping you'd have it said before the paper came out. That's okay!

Mr. MacDonald: That's okay, sure.

Hon. W. Newman: Sure, nothing wrong with it at all. Not a thing.

Mr. MacDonald: You're looking at me daggers as though I'd done something wrong. Are you criticizing my trade practices?

Hon. W. Newman: Yes. It is unfair trade practices, no doubt about it.

Mr. Haggerty: Mr. Chairman, I can go out the door and get two manure forks so we can get on with it.

Mr. MacDonald: You might as well get three, if you're getting them.

Hon. W. Newman: I'm doing the NDP critic first because the member for Huron-Middlesex was not here and they asked if I would.

Mr. Riddell: I appreciate that. I was called away to do a CBC interview on the food industry to see whether I concurred with what Donald MacDonald had reeled in the *Globe* and *Mail*. I did concur. Yes.

Hon. W. Newman: We covered the food processing industry and the agriculture area, which have had their backs to the wall. There's no doubt about it. The main reason they've had their backs to the wall for so long, is basically the GATT negotiations. I'll also come back to that \$200 million fund because I think a lot of that will be used, I hope, to modernize and update some works.

Mr. MacDonald: I look forward to the definition of "a lot" next year, to find out what your definition is of "a lot"—"a lot of that."

[11:45]

Hon. W. Newman: Well, I don't know. It depends, I mean, we happen to live in a free enterprise system. Certainly, any group or any company that comes forward is going to be given a proper hearing and it's going to be looked at from a financially sound point of view. If it is financially sound, certainly that's what that fund is for.

Mr. McKessock: Are there going to be any outlines as to how that fund can be used?

Hon. W. Newman: The company that came to me yesterday was referred by the co-ordinating man in the Ministry of Industry and Tourism. If the proposal concerns agriculture, he says: "Go and talk to the Minister of Agriculture." I've had a couple of people in talking to me. We've talked about it and I've called back the co-ordinator, Duncan Allan. He will then sit down with our people and with the particular processor, and discuss the whole project in terms of the dollars and cents involved. This is a multimillion-dollar import replacement project we're talking about right now.

Mr. McKessock: I hope we don't have to talk about multimillion-dollar companies. Will

a small company be able to get it as well?

Hon. W. Newman: Just as well. As far as I'm concerned, I don't care how big the company or how small the company. As far as I'm concerned, if they're going to be processing agricultural products which we can grow here, and I know we can, then it doesn't matter how small it is or how big it is.

Mr. McKessock: It sounds to me as if this program could replace the now defunct Agricultural Rehabilitation and Development Administration program because the ARDA program did assist in this area.

Hon. W. Newman: Yes, it very easily could, except ARDA was set up on a little different basis. In ARDA there was a forgivable portion, and in this program there may be an interest-free period which is the same thing as the forgivable portion.

Mr. McKessock: Is this going to be part loan and part grant?

Hon. W. Newman: No, it will be basically loans, but there may be different interest-free periods, which would be the same thing as a grant.

Mr. MacDonald: Do you mean the part to the agricultural sector is going to be basically loans?

Mr. Samis: To pulp and paper and Ford's a grant, the total is forgivable.

Mr. McKessock: That's where agriculture is getting shafted again.

Hon. W. Newman: No, let me finish. I have talked to the Treasurer and he is quite prepared to do this. It will require some changes out it is quite possible there will be a grant action in it too. I think the Treasurer said that in the House just the other day.

Mr. MacDonald: It's very flexible.

Hon. W. Newman: Yes, it's going to be very flexible.

Mr. Samis: That's what Larry said: "Only ask the winners."

Hon. W. Newman: By the same token, in the processing industry if all the materials can be dumped in here from other countries without any protection at all, then they can't make any money here.

Mr. Samis: Bob is talking about the small processors having a chance.

Hon. W. Newman: The small processors will have as good a chance as anybody else, maybe better.

Mr. Samis: It doesn't have to be an expansion of a present plant, it could be a new plant.

Hon. W. Newman: Oh, sure, a whole new operation, sure. No doubt about it.

Mr. Samis: Read Larry's speech.

Mr. G. I. Miller: Is this program in effect right now?

Hon. W. Newman: Yes, this program is in effect. It was actually in effect as of the day the budget was brought in. The fund is there and it is in place and we have had meetings and we will continue to have meetings.

Mr. MacDonald: Half of it was given up before the budget was in, to the pulp and paper companies and to Ford.

Hon. W. Newman: No, no, this \$200 million is above and beyond that.

Mr. MacDonald: No, it isn't.

Mr. G. I. Miller: Do you have a set of guidelines set up?

Hon. W. Newman: Industry and Tourism have guidelines, yes.

Mr. G. I. Miller: Can the members get them, have access to them?

Hon. W. Newman: I would think so. I would think you would have to ask that ministry. If we have a project coming forward, my major concern is to talk to people who want that project and then take them over to Industry and Tourism and sit down and figure out the financial aspects and how much money they would need in the way of government funding and so on and so forth.

Mr. Haggerty: What is there allocated to your ministry alone out of this total funding?

Hon. W. Newman: There is nothing allocated to any particular ministry.

Mr. Haggerty: You could be shortchanged on it, then.

Hon. W. Newman: Well, not necessarily. If we move fast enough we could be long-changed.

Mr. Samis: Read Larry Grossman's speech.

Hon. W. Newman: There's a \$200 million fund and certainly we have already started the ball rolling on two projects right now. I don't know whether they're going to come to fruition but we know about it and I know there is funding for them if they are economically viable structures.

Mr. McKessock: Could I ask a question, Mr. Chairman?

Mr. Chairman: Yes.

Hon. W. Newman: I don't mind answering all these questions. Fair enough, go ahead with the questions.

Mr. McKessock: Besides processing in the agricultural area, does this fund cover anything else besides processing facilities?

Hon. W. Newman: It's an employment incentive program.

Mr. McKessock: So if it does create employment it could be something else besides processing?

Hon. W. Newman: Right. It's a total thing for the total government. If you're talking about a shoe plant or something else, in that particular case, the shoe plant should get in touch with the Ministry of Industry and Tourism. Anything to do with agriculture should get in touch with us or the Ministry of Industry and Tourism, but by and large it will come back to us.

We were just talking about food processing. I feel that the processing industry needs overhauling in this province and I've said so for a long time, but we couldn't really do anything until the GATT negotiations were finished. We have assessed many of the decisions that have been made. I think it will help some of the industries. We've got a tremendous potential for some increase in production in certain agricultural products as import replacements. This is the area we're concentrating on. We're not necessarily wiping out anything that can be done here. We really want to keep imports down where we can grow replacements in the province.

Mr. McKessock: Tomato paste, for instance.

Hon. W. Newman: Yes, tomato paste. That's exactly what I have been working on in the last week.

Coming back to Mr. MacDonald's remarks, when he said that the food processing industry is in trouble, they've had their problems but I say this fund will go a long way to help them.

We talked about the royal commission, and you've gone on at great length about the royal commission. I just say that we shouldn't prejudge the inquiry. I don't personally know the consultants who are working for them nor have I interfered with the royal commission. The royal commission is run as an independent commission and that's why it is set up that way. Anyone who prejudices or suggests what is going to happen beforehand might be very much surprised when the final judgement comes out.

When the report does come out, I am certainly prepared to look at any recommendations that may come out. I understand that the Liberal Party is going to make a presentation to the royal commission. I'm just amazed that Mr. MacDonald went on at such great length today. I would only hope that he would pass on his comments to the royal commission or to the judge himself and

tell him what he thinks. If he feels that strongly about it, why tell me? Why doesn't he go and tell him to his face? That is just a passing comment.

Mr. MacDonald: Look, may I just say that our views were all set down in the record of the resources development committee. That was passed on to the commission.

Hon. W. Newman: You've been going on at some length in here on the thing. I'm saying that maybe you should go down and talk to the judge and tell him your views.

Mr. MacDonald: He can read Hansard.

Hon. W. Newman: I'm sure he can, but I was just suggesting that if you'd like to see him, he will not deny you a hearing before him if you wish to comment to him.

Mr. MacDonald: I don't want to interfere or influence his commission.

Hon. W. Newman: You don't? I don't know what you've been doing in here for the last hour and a half or so.

Mr. Riddell: It may be well that he doesn't want to meet Rodney Hull. I'm sure Rodney would be sharpening up a little.

Mr. MacDonald: We met him the other morning.

Hon. W. Newman: I think one of the things that you said was the OFA lawyer was intimidated. Certainly other lawyers have been cut off by the judge. Jim Murray is acting for the federation. I've got a note here that the judge has several times cut off objections from the chain-store lawyers. It's been fairly fair from the report I'm getting from my staff member who is down there keeping an eye on the hearings.

Mr. MacDonald: It's funny that your reports are out of character with the general consensus of everybody else who is viewing the commission.

Hon. W. Newman: I think I have a very fair-minded person down there who is being very impartial and who is a very capable man.

Mr. MacDonald: Who is it?

Hon. W. Newman: He is a lawyer. He can better judge what is going on.

Mr. MacDonald: Who is it? Have you got somebody down there monitoring it?

Hon. W. Newman: He's not down there every day because we don't have that many lawyers in our ministry.

Mr. MacDonald: Who is monitoring it?

Hon. W. Newman: John McMurtry is sitting in on the hearings as much as possible.

He's not there every day. If he's not there, somebody else is covering it.

You talked about the lawyer for the royal commission. As a matter of fact, I have never met that man. All I have done is talk to him shortly after he was appointed. I said that if there was any help we in the ministry could give him or his legal counsel or the judge or the commission, we would be glad to lend any services we had in the Ministry of Agriculture and Food. That's the only contact I have had with him. I just want to make that very clear to you.

You got into generic food products at some length. None of us knows—and I think you admitted this—what generic foods are going to do. It will depend on the public acceptance of them and the quality of them. Certainly, I know they were selling very well. I understand they are not doing quite as well in some areas now. To hear one of the chain-store heads, you'd think it was the greatest thing since sliced bread, as the saying goes. I'm not so sure about it myself at this point in time. But they are on the market and they are priced lower by and large and they are of lower quality.

I'll give you a specific example: canned peas. If you know anything about canned peas, sometimes there is a little thistle, about the same size as a pea, that can get into one of those cans and that would give it a lower quality. As far as nutritional value is concerned, it would have the same nutritional value in it.

Mr. MacDonald: That gallant little band in Brampton—the home town of your Premier—WARP, Women Against Rising Prices, are now documenting how generic prices are higher than the brand names in an increasing number of instances.

Hon. W. Newman: The generic things are there. New ideas come and go all the time. That's one nice thing about living in the free enterprise system, we have new ideas coming and going all the time. Surely you don't want to stop every new idea that comes along? At least, I hope not.

Mr. MacDonald: Do you feel better now?

Mr. McGuigan: Can I ask you a question about generic products? Have you looked at the markups they're charging on generics? Are the markups less on generics than they are on name brands, with a view to destroying the trade names and eventually taking over the processing industry? I think that's the big fear, that the trade names will be destroyed and the retailers will then move to processing. Are they doing this by taking a lower markup on generics than they are

on brands? In other words, are they using the one to subsidize the other? Have you looked at that?

Hon. W. Newman: No, I honestly haven't looked at it in detail.

Mr. McGuigan: I think you should look at it.

Hon. W. Newman: Certainly, as far as generic brands are concerned, they have been on the market for some time and they have been lowering costs. I don't do the shopping in my family.

Mr. MacDonald: Is it your responsibility to look at that, or is it the Minister of Consumer and Commercial Relations' responsibility? I'm still unclear.

Hon. W. Newman: As far as the generics are concerned?

Mr. MacDonald: The markups, the trade practices.

Hon. W. Newman: The trade practices could either be federal or under Mr. Drea.

Mr. McKessock: As far as generic foods are concerned, is that your responsibility or Mr. Drea's? It seems strange to me that on the one hand we have always said you need a package and it has to be marked grade A, and then all of a sudden we come along with cans that aren't marked. How can this be allowed?

Hon. W. Newman: There are certain grade standards that are set. I'm not sure how it works with generics, but for all the name brands there are certain standards set. We have inspectors and the feds have inspectors, and the name brands have to meet the specifications on those cans and the quality in those cans has to meet the standards.

Mr. McKessock: That's for name brands, but what about generics?

Hon. W. Newman: I'd have to ask somebody, but I think it comes under federal jurisdiction. The federal quality people would be the people who would have to prove this.

Mr. McKessock: But you're up against it if you find a can that has something wrong with it, as far as returning it is concerned and finding out who is responsible.

Hon. W. Newman: I don't know if you can return it or not. I can't answer that question, but I'll find out. As I indicated, with the name brands, and apparently with the generics too, it's a federal responsibility as far as grades are concerned.

Mr. McKessock: A federal responsibility?

Hon. W. Newman: That's right, yes.

Mr. McKessock: It seems to me it would be pretty tough to trace back one of the cans

that is unmarked. It's supposed to be graded somewhere along the line, but if it turns out that the product isn't very good, what do you do about it? With the name brands, it's not hard to go back to them.

[12:00]

Hon. W. Newman: I would assume they would all be coded somehow in the generic end by the feds.

Mr. G. I. Miller: Do you know if they are coded or not?

Hon. W. Newman: Yes, they are.

Mr. G. I. Miller: Even if it's a federal responsibility it must be a concern to you that they get good quality to the consumer. I think that has to be important, that we don't get a bad name.

Hon. W. Newman: Sure, but they have to meet certain federal quality standards. They also are traceable back to the source, since they are coded by the federal people.

Mr. G. I. Miller: It's stamped right on the can, is it?

Hon. W. Newman: I haven't looked at a can that closely.

Mr. G. I. Miller: No, I haven't either.

Hon. W. Newman: But I know that they are coded and they can be traced back. They know who the processor is, apparently from the cans, and they know the packing date.

Mr. McGuigan: Mr. Minister, could I make another comment? I've been caught in this thing myself. As an apple producer for a great many years I have used the name Sterling Brand, and this went back I guess for 30 years when we were trying to establish ourselves as having superior quality. So over the years we got quite a franchise with the people in an area who wouldn't buy any other apples but Sterling Brand. If the store tried to substitute somebody else's product, sales would drop. This was because of our adherence to rigid quality standards.

The industry has gone pretty well to warehouse delivery, although I have not specifically. Because of my location I have not gone to warehouse delivery, but nevertheless, I've had to drop my Sterling Brand. My name goes on it but my brand is gone, so over the course of a period of time I'll lose my franchise. Then it becomes very easy a few years down the road—maybe months, who knows when—to say, "We don't need you any more, McGuigan; you can take yours to the warehouse." Which means taking them from Cedar Springs to Toronto and back to Chatham or Sarnia, wherever—

Hon. W. Newman: Can I ask you a question? How come you are going to lose your

Sterling Brand name? You don't have to answer that, it's just that I don't understand why you have to lose it.

Mr. McGuigan: The industry has gone to a universal bag.

Hon. W. Newman: The apple industry itself? So the apple commission is really responsible for that.

Mr. McGuigan: Right, they've gone to a universal bag. My name is still on it, but my pattern and so on that I had on the bag, which was recognized by the public, has now gone. As I see it, it's just part of an overall picture, the generic brand being part of it, making it easier and easier for the chain stores to move further down the line into processing and even into production.

Hon. W. Newman: What is happening to you is being done by your own apple commission. The members are elected, are they not, to the apple commission?

Mr. McGuigan: Yes.

Hon. W. Newman: So it's a producer commission that's doing it.

Mr. McGuigan: But you saw last spring how much we can rely on the apple commission.

Hon. W. Newman: That's right, but you could talk as you like about any of the marketing boards, and I'll get into marketing boards a little later on, but you've got an elected commission acting on behalf of the apple growers in Ontario. If they are elected by their own people to do a job and if they are not doing the job, it's just like you or me or anybody else in this room. If our constituents don't feel we are doing the right kind of a job they'll let us know at the appropriate time. Take your concerns to your own apple commission and try to work it out there.

Mr. McGuigan: I'm afraid I don't have very much confidence.

Hon. W. Newman: I will tell you in three years' time as I planted 1,000 trees two weeks ago.

Mr. McKessock: Name brand or generic?

Hon. W. Newman: They are a damned nuisance right now, I will tell you.

Mr. McGuigan: I'm just illustrating what is happening in the industry.

Interjections.

Hon. W. Newman: Because of the low salaries we get paid here, I have to supplement my income.

Mr. Riddell: What do you think about us on the other side of the House?

Hon. W. Newman: You only get what you deserve.

Interjections.

Mr. Chairman: The Abandoned Orchards Act will be sent after you.

Hon. W. Newman: Surely not yet. Give me a chance.

Mr. McGuigan: I think you see my point.

Hon. W. Newman: I appreciate your point, but I also appreciate the fact there is an apple commission and it is doing this. Quite obviously, I gather from what you are saying you don't agree with the apple commission.

Mr. McGuigan: I think you knew that last spring.

Hon. W. Newman: Yes, I am well aware of your feelings on it. I want to go back to Mr. MacDonald's remarks. He got into stabilization and a guaranteed margin approach. I want to talk about stabilization for a few moments. We brought in a stabilization bill which was passed in the House. We also set up a stabilization board which is a completely independent board. I don't think I have talked to them once. I did write to them once and asked them to extend the deadline on corn in 1977, to which they said no. It's an independent board made up of farmers.

As you know, the Ontario Federation of Agriculture, the Christian Farmers' Federation and, I believe, the National Farmers Union have a right to appoint somebody to that board each year or leave the same person on. Henry Ediger is chairman. The board works out its own programs. As I outlined in my remarks last night, each individual farmer will have his own account and he may or may not have to pay in the second year. I think it's a very fair stabilization program. We put in \$2 for every \$1 the farmer puts in.

We talked about the guaranteed margin approach. When the cow-calf program first came out, Mr. MacDonald, you were well aware of the fact that it was supposed to be on a two-for-one basis. It didn't work out that way. I think the province paid out \$2 million.

Before I get into stabilization in detail, what I am saying is the farmer wants his returns from the marketplace. I get a little bit tired when people start talking about the price of beef today. In the cow-calf program, we weren't really helping the farmers. We were helping to keep them alive. That is true. The whole idea of our stabilization program is not to make a profit from it in

this province as far as I am concerned. It is to help out in difficult times. They are getting their returns from the marketplace now as far as beef is concerned. And what is happening? We are getting complaints. I am glad to see the farmers getting it from the marketplace.

Mr. McKessock: What kind of complaints?

Hon. W. Newman: Go out and talk to any consumers.

Mr. MacDonald: Even some producers say the prices are excessive and that they are going to kill their own market. I have one right here. I can quote it to you.

Hon. W. Newman: I will give you an example. Last night we had a false fire alarm in our building and I almost didn't get over here. I had to walk up 11 floors to get my notes. As soon as the fire chief who was there found out who I was, he said: "What are you going to do about the price of food? The price of beef is terrible." He was trying to direct the firefighters in the building, but he was saying the price of beef is far too high and that farmers are making a killing.

I said: "No, they are not. If you have got a concern about it, write me a note because I have to get over to my estimates."

Mr. McKessock: If you happen to run into him again, would you tell him there's a farmer in my riding who last week bought two tractors, a plough and a cultivator which cost him \$195,000?

Hon. W. Newman: Is that you?

Mr. McKessock: No, it isn't me. It's a farmer in my riding.

Mr. Riddell: Why don't you ask those people what they paid for beef in 1975, 1976 and 1977?

Hon. W. Newman: I do. They don't realize how fortunate we are, compared to the UK, EEC, or anywhere in the world. Someone mentioned here that the reason we have colour television, second cars, holidays and all the other things is that we have been able to find food at a reasonable price.

Mr. Watson: Under free enterprise rather than socialism too.

Hon. W. Newman: It's all done on a free enterprise basis; there's no doubt about that. But getting back to stabilization: Mr. MacDonald said I had said in a speech that the guaranteed margin approach—I've forgotten; he quoted me exactly and I didn't write it down—but basically what I said was that the guaranteed margin approach had a lot of appeal.

I didn't put it in writing, but I went on to say—and I have gone on public record as

saying it—that there are a lot of things in the guaranteed margin approach that have to be worked out in detail before I would be prepared to sign any sort of agreement.

First, he is only naming certain named commodities; I think all the regional commodities should be included. Something has to be worked out on the regional commodities, which have a dramatic effect on the province. I would certainly want to work out something with him on that, because I think the regional commodities would have to be treated the same as the national named commodities.

Mr. MacDonald: If the federal government is only going to have national named commodities, will the province come in with a matching stabilization program to cover regional commodities?

Hon. W. Newman: If we are going to talk about regional commodities, I think the feds should come into a program on a shared-cost basis with the provinces and with the producers; that would be at the very worst. But I still think they should come in on all commodities in addition to the named commodities.

Mr. MacDonald: If they don't, are you going to meet the farmers?

Hon. W. Newman: We've discussed this at two federal-provincial conferences. The guaranteed margin approach at this point in time is a better program than the Agricultural Stabilization Act of 1975. You read the figures except for cow-calf. It is a better program than we have at this point in time.

Mr. MacDonald: Marginally better.

Hon. W. Newman: It's marginally better that's right. The payout on corn for the 1977 crop year was 14 cents from the feds, I believe, and eight cents from the provincial program. You talk about five per cent. But we are estimating the payout will be around \$7 million or \$8 million when all the applications come in on the 1977 corn crop year.

You talk about it not being adequate. We have, as I mentioned, four commodities in the program now. It is on a voluntary basis; they come in and work out a program with the stabilization commission. We've done some calculating and, if we got into a bad situation with a lot of commodities and farmers involved, it could cost us many millions of dollars in a particular year.

You say British Columbia's average is \$20 million. In some years it goes up to \$45 million. It depends on the year or the crops and the prices. I'd say the farmers want it from the marketplace; the whole idea of our stabilization program is not to help make it

a guaranteed income for the farmers, which I suppose is what you're really heading for. I think that's what you were saying in effect.

Mr. MacDonald: The BC plan is not a guaranteed income plan.

Hon. W. Newman: I remember the cow-calf program; you hammered away at great length in a certain period of time in 1975, I believe, about what a great cow-calf program the BC program was. But when we got down and analysed it against the Ontario program, they were practically identical.

As far as the guaranteed margin approach is concerned, I don't think we're going to see it for some time unless—well, you may see a better program from Ottawa.

Mr. MacDonald: With a better government.

Hon. W. Newman: That's exactly what I'm trying to say, and it won't be yours.

Mr. MacDonald: Fat chance!

Mr. G. I. Miller: I don't think we've done too badly for agriculture over the past 10 years. I think we're in a pretty good position. The government has used it as an excuse, but I still think we've done fairly well—agriculture has been used fairly well. You haven't spoken out too well on behalf of Ontario, and you've used it as an excuse.

Mr. Lane: The federal government has done nothing at all about the cow-calf thing. Nothing at all. They would have gone under had it been the federal government that had been looking after it. We looked after it.

Mr. Chairman: I think we had better keep away from politics and hear what the minister has to say.

Mr. MacDonald: Oh, of course. Never let politics rear its ugly head in here!

Hon. W. Newman: If you want to start politicking in here because of certain dates—we're not going to affect the one in British Columbia now.

Mr. MacDonald: What do you think we're playing since 10 o'clock? Tiddly-winks?

Hon. W. Newman: I won't say what you've been doing; I wouldn't dare.

Mr. Riddell: Speaking of politics, I might remind you—and I have a lot of respect for this man—that Gordon Hill didn't do all that well in the last election, and he was a pretty firm advocate of the type of farm income program you'd like to see.

Mr. MacDonald: Are you really in favour of it, or are you opposing it? Are you gloating over the fact?

[12:15]

Mr. Riddell: What, a completely socialistic program like you people were proposing?

Mr. Havrot: Speaking of politics . . .

Mr. MacDonald: May I remind you, just briefly, that when the farm income stabilization program in Ontario was passed the federation of agriculture said it would be near useless if there weren't three amendments made. We moved the amendments. It was an OFA program, not a socialist program. We moved the amendments and the Liberals and Tories voted them down.

Mr. Lane: While we are on the subject, I would just like to point out that the minister was more than fair a few moments ago when he said the Ontario cow-calf program was equal to British Columbia, but a hell of a lot better.

Mr. McKessock: I would just like to point out if we had a supply management program we wouldn't have to worry about stabilization.

Hon. W. Newman: I was going to come back to that, and Mr. Riddell's remarks. I gathered from what he was saying he would like everything to be in supply management, but I will come back to that later. I am only dealing with Mr. MacDonald's comments and it is only because—

Mr. Riddell: You misread my comments if you thought I was advocating a supply management program for everything. That is simply not true.

Hon. W. Newman: I will talk about it when I respond to you. Maybe I misinterpreted your overall comments last night.

I still want to deal with Mr. MacDonald's comments. I heard a lot of talk about food and guidelines and I heard Mr. MacDonald talking about it at some length. I would like to point out I think food land guidelines in Ontario, forgetting about the disaster in 3C, and you admitted it was a bit of a disaster and probably had a lot to do with turning out the government out there—I won't get political.

Mr. MacDonald: It wasn't a disaster. Once they got farm income stabilization that was accepted—

Hon. W. Newman: It was a disaster, but anyway, let's not get into other people's mistakes. Let's talk about what we are doing that's positive. As far as the food land guidelines that we put out are concerned, which are now government policy—

Mr. MacDonald: They are guidelines.

Hon. W. Newman: Yes, they are guidelines, but I guess what you don't really realize is the process and how this government works.

I thought after your many years around here you would know the—

Mr. MacDonald: Oh, I know how the process works.

Hon. W. Newman: I am sure you are not aware of the way the process works. We went through the Niagara thing last year, and how we saved 3,000 acres of tender fruit land, and you say we gave away 4,000 and a lot of them are lots in the city. Maybe a lot in the city of St. Catharines was included in that 4,000 acres, or little wee parcels of maybe an acre or something that could not be profitably farmed, and maybe some of the roadways were included in the figures your people used, but we are not going to go into that, I hope, unless you want to in some detail, because your man—

Mr. MacDonald: When Mel Swart gets here he will put you over the—

Hon. W. Newman: Let him come in. I am prepared to go through the whole thing again. I will read him Hansard from last year and the year before.

Let me just explain how the process works. When any official plan comes in, any amendment to that official plan or any new development comes forward, it goes to the Ministry of Housing. I am only explaining this to you, Mr. MacDonald, so that you will understand the process.

It comes to the Minister of Housing (Mr. Bennett) and he circulates that plan to all ministries that have an interest, including the Ministry of Agriculture and Food. We send comments back to the Ministry of Housing, using the food land guidelines as a guide, recommending that this should not be done or that should not be done.

Mr. MacDonald: And often he ignores it.

Hon. W. Newman: Not very darned often and I will tell you why, but let me finish. When we have made our comments back to the Minister of Housing, if there is any conflict we sit down and work it out between us and we do have many meetings on these particular matters. I am getting more delegations come to see me now about official plans and subdivisions than the Minister of Housing is, and if that doesn't tell you the food land guidelines are working then nothing else will. Because of our comments the Minister of Housing has turned down many projects.

You would stop the world. We don't want to stop the world. We know we still need housing. We also know we need industry, we need jobs, we need highways, we have to have hydro lines, much as they do create some problems in some areas. We have to

have an economy that turns over and creates jobs, so we can't freeze everything. Your party would stop the world.

Mr. MacDonald: Oh, no.

Mr. G. I. Miller: Who's responsible in your ministry for reviewing this?

Hon. W. Newman: The food land development branch? We have a whole branch that deals with that.

Mr. G. I. Miller: Who is in charge of that?

Hon. W. Newman: Vern Spencer, who is very capable.

Mr. Riddell: The good looking fellow at the back in the white shirt there. Stand up and take a bow, Vern.

Mr. McKessock: He's from Grey county.

Hon. W. Newman: It's government policy and they know that. Usually, they consult us before they go with amendments to official plans. I can give you an example in my own area right now where there's a large tract of land where we recommended it not be allowed for development unless they could prove beyond a shadow of a doubt that it was absolutely necessary. We have not been convinced at this point. The Minister of Housing has turned down many projects because of the efforts of the food land guidelines. I think you're being very unfair. I think the guidelines are working very well. I think also if I could find all my notes around here that I wrote down—

Mr. McKessock: Mr. Minister, I think the way we can see whether they're working or not is to see if there is still farm land being built on. Observation is the way we see whether they're working.

Hon. W. Newman: Is that right? Where are you going to build houses? Where are you going to build factories? Where are you going to build highways? I say, put them on the poorer land wherever possible.

Mr. McKessock: Right.

Hon. W. Newman: You're still going to need houses, and you're fighting for factories and you want jobs for your people up there.

Mr. McKessock: Isn't it true that 95 per cent of our land in Ontario is rough land and only about five per cent is good agricultural land? If that's so, why is the world going to stop if we save five per cent of our land?

Hon. W. Newman: What you're saying is everybody should be building on crown land in the bush. That's what you're saying.

Mr. McKessock: No, I'm saying we have lots of poor agricultural land in our area. We can put factories all over the place. Give

us the factories, we'll find a place to put them without putting them on good land.

Mr. MacDonald: He said they could have expanded into less good, poorer quality agricultural land, so you have superseded their decision.

Hon. W. Newman: There was very good reasoning for that, which I believe the Chairman of Cabinet (Mr. Henderson) gave, and I'm not going to comment any further because he gave his reasons for it.

Mr. McKessock: Nobody is going to build on poorer land as long as you allow them to build on good land. It's much easier to build on good land, the same as it is easier to farm on good land. Everybody wants the good land. Are you going to keep it for farming, or let it go to somebody else?

Hon. W. Newman: I've just finished going through the whole process. I've just finished saying that wherever possible it will be kept. Many subdivisions have been turned down, many official plans have been altered. We've had a lot of meetings with your people, over in our own area, who want to cut out a lot more farm land than we want them to. Do you support the official plan in your area?

Mr. G. I. Miller: Yes I do, I sure do.

Hon. W. Newman: Then you're saying we should take a lot more land out of agriculture, that's what you're saying. Well, if you support the official plan, we're saying you're trying to take too much out of agriculture.

Mr. G. I. Miller: Okay, I'll listen to your comments.

Hon. W. Newman: If you're supporting the official plan of the regional municipality over there we're saying there should be a lot more land left for agricultural purposes than there is at the present time.

Mr. G. I. Miller: But that's the position I supported. This is the first time I've heard the government's position.

Hon. W. Newman: My goodness, are you not familiar with the official plan in your own region?

Mr. Riddell: Who bought up the land for the Townsend site and Nanticoke and what not? It wasn't Gordy Miller.

Hon. W. Newman: He made some comment to me. I'm just answering him.

Mr. Riddell: Who overruled the decision of the OMB on the Hanover annexation?

Hon. W. Newman: Cabinet.

Mr. McKessock: Really, what you're saying, Mr. Minister, is the food land guidelines aren't working. The official plan, you say, has too much agricultural land taken out of

it. They listened to the agricultural food land guidelines and went the other way.

Hon. W. Newman: You don't understand. It isn't even approved as yet. It's still being discussed because of this.

Mr. MacDonald: There are places where it's working, and in other places it's not working. That's the destruction by instalment, of which the Hanover area is a part. That is done by your own government.

Hon. W. Newman: You're using one small example before the Ontario Land Management Board and I'm not going to comment on that at this point in time. I have to come back to a comment Mr. Riddell made last night. He said: "The food land guidelines need to be mandatory," and then he went on to say that "they need to be flexible." I'm not exactly sure what you meant that they should be mandatory and flexible. They are mandatory and flexible now.

Mr. Riddell: I agree that you just can't stop the world, and maybe concessions will have to be made, but I also think there have to be some teeth in the guidelines so you don't leave it completely to the discretion of the municipalities; one municipality may do a terrific job in trying to preserve agricultural land but another, because it wants the additional revenue from industrial development and what not, will completely ignore them.

Hon. W. Newman: That's why they all have to come back through the process at the provincial level, where we get the guideline input. If they don't follow the guidelines, we send our objections down to the Ministry of Housing. Those are the checks and balances we have on them. In your own county, you're doing a tremendous job.

Mr. Riddell: You want to believe it. You can't even get a severance for a farmer's son.

Hon. W. Newman: Are you saying that is right or wrong?

Mr. Watson: It depends whose ox is getting gored.

Mr. McNeil: Are you in favour of that policy?

Mr. Riddell: If a son wants to farm with his father, surely to goodness he should be allowed to get started on 50 or 100 acres of land. But they're even restricting him from getting a severance on 50 acres, which may be a separate deed.

Mr. MacDonald: You're in favour of destruction by instalment too?

Mr. Riddell: For a farmer to start farming with his father? To be able to get a severance

Mr. McKessock: For a wee piece of land to put a house on?

Mr. MacDonald: In five years, if the farmer's son decides to go into another business and the land is sold to somebody, you've got precisely the kind of thing you want to avoid.

Hon. W. Newman: This is what I'm talking about: flexibility. There has to be flexibility, because this province is big and vast and broad.

Mr. Riddell: That's what I'm talking about too.

Hon. W. Newman: Exactly.

Mr. McKessock: What annoys me, though, is when you say Huron county is doing such a wonderful job—

Hon. W. Newman: I was only using that as an example. Don't get me wrong; there are many other areas doing an excellent job too, working with our people.

Mr. McKessock: That's fine; they are. But the farther south you get and the closer you get to Toronto, the poorer the job they're doing; they're building on it all the time. It doesn't make sense for us to be saving a few acres of farm land when you get down to where the heat units are better, the soil is level and free of stone, and it's good land, and we're building houses on it. That is no incentive for us to save farm land as we get farther north.

Hon. W. Newman: Let's talk about the area around Toronto. As I said, we still need houses; we still need industry. But let me give you an example, which I probably gave to you last year: In the Durham region, where I live, and my farm has been zoned permanent agricultural; that is a permanent zoning by the municipality, and it's not too far away from here. Ten years down the road, if they allow development, it would probably reach that far. But it has been zoned agriculturally, and everybody knows it.

Mr. McKessock: How long is permanent?

Hon. W. Newman: How long is permanent? The price of land up in our area went from about \$5,000 an acre down to about \$1,400 an acre in about two months' time. That doesn't bother me, because I like to see that land farmed up there.

Anyway, getting back to the food lands, I would just point out that we can disagree right around this table, and we can disagree with the municipalities and so on—and maybe I was a bit unfair about your official plan—

Mr. G. I. Miller: No, you weren't. I appreciate those comments. I like to know where you stand. I happen to support your

stand. But the official plan hasn't been approved at this point in time; it's in the processing stage. It's perhaps one of the few municipalities that will have an official plan as quickly as has been achieved. I'll give your government credit for encouraging that; there's nothing wrong with it.

Hon. W. Newman: Okay, good. I appreciate hearing that.

What else did Mr. MacDonald say? I made a few other notes here. I talked about the guaranteed margin approach, and I certainly want to see it in minute detail. Earl Haslett and his people have done a fantastic job in showing the differences in cost. It is better than the present program; anything that is better is an improvement.

My concern would be that we get on an equal basis across Canada in terms of a stabilization approach, or a guaranteed margin approach—call it whatever you like—covering all commodities, and not let other provinces keep top-loading, because then you create problems. We should have a meaningful national program. To what extent there will be problems involved is a matter of negotiation, but certainly I think that all commodities in this province should be treated on an equal basis—not because they're named in the federal legislation. So there is a lot of discussion to go on still.

[12:30]

I honestly and sincerely believe—I shouldn't say this—that Mr. Whelan himself has tried to come up with a more meaningful program than they have given to us now. I am absolutely convinced of that. But I think the government in Ottawa has absolutely refused to let him do it. I am not saying that unkindly because there is an election on or anything else. I think that he sincerely would like to have a stronger program than we have at the present time.

Mr. MacDonald: Because that government, according to the Ontario Federation of Agriculture, has no real commitment to agriculture.

Hon. W. Newman: You should know all about it. It's amazing how much you know about farming, coming from the asphalt jungle. And don't rub it in about where I came from; I chose farming as a career.

Mr. MacDonald: Never mind where I came from. Let's deal with the substantive issues.

Hon. W. Newman: Stabilization certainly is not a guaranteed income, and I think that is what you are really shooting for.

Mr. MacDonald: That is not what I am shooting for.

Hon. W. Newman: Well, I think it is.

Mr. MacDonald: It isn't what they have in British Columbia either.

Hon. W. Newman: I'm sorry, Mr. Chairman, am I doing something wrong here?

Mr. Chairman: No, no. You can go ahead for another 10 minutes; we were 10 minutes late in starting.

Hon. W. Newman: Oh, I see. We are working towards—I am trying to make out my own writing about what Mr. MacDonald has said, and I am having trouble.

Mr. Riddell: I have the same trouble when you send notes across to me in the House.

Hon. W. Newman: I know.

As I said, I think Mr. MacDonald is indicating a guaranteed income for farmers—

Mr. MacDonald: I am not. I am indicating the BC plan isn't a guaranteed income.

Hon. W. Newman: You have to be careful where you draw that line. If you draw the line at a certain point, perhaps as they do in British Columbia, then what do you do when you get overproduction? You get into controls; you tell the farmer how much he can grow—

Mr. MacDonald: They have supply management along with their program. You just don't know the BC program.

Hon. W. Newman: It is a matter of efficiency as well, and we are pretty efficient here in Ontario.

I guess that is all I am going to say about Mr. MacDonald at this time; I am sure he will have other comments. I have all kinds of notes here that I was going to talk to him about. He didn't get into foreign ownership, I don't think; I think Mr. Riddell did. I will deal with that—

Mr. Chairman: The minister's responses to Mr. Riddell's comments perhaps will take a little while. Mr. Riddell, you had better be here at eight o'clock on Thursday evening, and he will deal with you.

Mr. Riddell: I shall be here.

The committee adjourned at 12.32 p.m.

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No. R-8

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Thursday, May 10, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, MAY 10, 1979

The committee met at 8:05 p.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Chairman: The meeting will come to order. Mr. Minister, I think you wanted to address yourself to Mr. Riddell's remarks?

Hon. W. Newman: Yes, Mr. Chairman. If I may discuss for a little while tonight some of the comments that were made by the Liberal critic, I would like to deal with some of the items he discussed the other night. Some of them, such as the royal commission part, I covered when I was answering Mr. MacDonald, and I will try not to be too repetitive.

I guess one issue Mr. Riddell brought up the other night was foreign investment in Ontario farmland. We were talking about the ads in the paper, \$45 million, corporate foreign owners, schools and churches closing; and all the other things he mentioned. We have done some work on this. As you know, I dissented from the report on the 20 per cent land transfer tax on foreign ownership of Ontario land—and I wouldn't go into the fact that there is a request before us now to exempt a certain person in your riding, or close to your riding, from the land transfer tax.

Interjections.

Hon. W. Newman: Quite justifiably so. I think you're right, I said so. I think you're right.

I would just like to set the record straight, and it may be a bit controversial to start with here and I would only hope that the Liberal critic would correct me if I have misinterpreted what he has said in his comments. Before I start I would suggest that if there is a major problem in foreign ownership of land or speculative buying of land and all these problems we are talking about, \$45 million, I would certainly request and ask the agricultural critic to give me information that he may have that I think I have here but I may not have, but I think we have.

You mentioned \$45 million on deposit in Huron county banks, and I think Tuesday

night you indicated that some of this money was in Toronto and maybe it was in Huron county. We're having trouble tracing it down anyway, that's all I'm saying. If you know of \$45 million to buy land here we would sure like to know some more details on it. If you want to do it on a confidential basis we certainly would appreciate it.

I did a bit of work on foreign ownership of land through the foodland branch. We did Kent county in 1976. We've done Huron county. We haven't done Huron township in Bruce county, we haven't got that finished yet. We have gone to the registry office, we have talked to our ag reps and other people. We have gone to the Minister of Revenue's files, which are all coded as you know and on computers, and if there is an "X" beside it it shows that it's an outside of Ontario address and they pull that out of the computer and go over it and see what the foreign address is, who owns it and what's involved in this particular piece of land. There's a fair amount of work involved in checking all this out and going through it and so on and so forth.

We have basically done what we feel is a fairly comprehensive job on this area. I now have the figures here and I think it would be very interesting if I could put these on the record on foreign ownership. As I say, I am not criticizing the member, but if there is money and if there is a lot of land changing hands then I would like to hear about it, because my figures don't bear out exactly what Mr. Riddell is saying.

For instance, in Kent county there were 6,045 acres of land with foreign addresses, not necessarily foreign owned but let's assume they're all foreign owned. This was in 1976. In 1978, there were 4,483 acres, which was a reduction in Kent county. These are people with foreign addresses. As you know, the total acreage I believe of Kent county—and the man who knows Kent county probably better than I do is sitting right here—is about 616,000 acres; 616,320, to be exact, is the way we read it. In 1976, there were 6,045 acres, as I say, in foreign addresses, outside of Canada, and in 1978 there were about 4,483 acres, which is about one per cent of the total land acreage in Kent county.

Mr. MacDonald: Could I ask you a question? Would that kind of a check on your computer catch the procedure which foreign purchasers are now indulging in pretty extensively, if not exclusively, namely of setting up an Ontario incorporated company and purchasing it in that name?

Hon. W. Newman: Mr. MacDonald, you're a very capable person and if you'll bear with me I'll cover that aspect of it too.

Mr. MacDonald: I just asked you a question, and if the answer is that you're going to do it later—

Hon. W. Newman: Yes.

Mr. MacDonald: —thank you for your compliments that I'm a capable person.

Hon. W. Newman: I should have added "most of the time."

Mr. Riddell: I would just like to ask you one question: Does the member for Chatham-Kent (Mr. Watson) agree with the acreage that you have given us tonight?

Hon. W. Newman: The total acreage or the others?
[8:15]

Mr. Riddell: Does he agree with the fact that in 1976 something like 6,045 acres had gone into foreign hands?

Hon. W. Newman: I didn't say foreign hands, I said foreign addresses, and that's a big difference.

Mr. Riddell: And in 1978 there were 4,483? Does he agree with that, being as he has served as the agricultural representatives down in that county for quite a time?

Hon. W. Newman: I assume he was consulted extensively in 1976. In 1978 he had taken on a much more onerous job and he probably wasn't involved in the 1978—

Mr. J. Johnson: On a point of order, I think that if a question was addressed to the member, that he should have the right to reply possibly at a little later time, but certainly he should have the right to answer the question himself.

Mr. Riddell: Mr. Johnson, I respect you for all you are and you're generally a fairly sincere kind of a fellow. I think we're dealing with a pretty damned serious situation right now, and before we leave this foreign investment, I just want to read you a brief little letter that I got from the chairman of the London chapter of the Committee for an Independent Canada. I will let you continue on, but all I am asking you is does Mr. Watson agree? Because if he does, then it's a little different story than I got through a bit of a conversation that I had.

Hon. W. Newman: I think that you have really hit the nail on the head with this little bit of conversation that you had. I think there are a lot of stories going around, a lot of ads running, and there are a lot of real estate agents—no disrespect to them—who are out to sell land. So if I may continue, I will give you what we have done. We have worked very hard to put this together. I talked to my people as late as just before six o'clock.

Mr. Riddell: Let me make it clear. I don't have the facts and figures either. Neither do I have, nor do we in the Liberal caucus have, the research staff to do the investigation that you have in your ministry. Where I got that information about the money being put into the banks was from one of the very prominent farmers—I won't mention his name—in the member for Huron Bruce's (Mr. Gaunt's) riding. He talked to the foreign investor, who talked to the German guy, who was in to try to buy his large block of land—he has a fairly substantial acreage. This chap proceeded to ask the investor what it was all about, where the money was coming from, what they intended to do and everything else. The German investor told him that he had \$45 million transferred over to banks in Huron county and surrounding areas, to be used for the purchase of farm land. I don't have any more facts and figures than that, but neither do I think that the onus is on me to come up with that information. You've got the staff, you've got the civil servants, and I think, by golly, you had better use them on this matter.

Hon. W. Newman: That's what I am trying to do tonight. You may have heard what you heard at a conference. A German investor was at a certain conference, and indicated that he had \$45 million or \$46 million—I've forgotten the exact wording, because somebody else was at that conference too—to invest in Ontario. One of my staff was there when it was said.

You say I've got the staff to investigate; we've been working on it, we've done it. I would like to give you these figures if you would like to hear them.

Mr. MacDonald: Before the minister proceeds, could I have your guidance on a procedural matter? It's obvious the minister is now going to reply in a substantive way to this foreign ownership issue and we're still on his reactions to the leadoff speeches. Later, we will go into each of the estimates one by one. Can I have your guidance now? Should we deal exclusively with this foreign investment aspect of the problem once the minister has replied, and Jack has some

followthrough and I have some followthrough? Or once the minister has replied, do we get into the estimates and deal with them seriatim?

Mr. Chairman: I think the first vote is pretty broad. I think after the minister has finished speaking, generally speaking, the members are allowed to pretty well cover any subject they feel of importance, such as mentioning the foreign aspect, before we get into item by item.

Mr. MacDonald: Even if it is part of an item that comes up later, we'll do it then and presumably not have to repeat it later. It's okay with me, I just want your guidance.

Mr. Chairman: I want the freest type of discussion. I know it's an important question with most members. If they feel they can deal with it thoroughly now after the minister's reply, I see no objection to it. It's up to yourselves.

Mr. Riddell: I would prefer that, Mr. Chairman. I know he's going to respond to me on the comments I made on marketing boards. I think there is a very urgent and pressing problem at this particular time in connection with one of the marketing boards and one of the associations which has to get an answer right now. We've gone long enough with playing around with the Ontario Pullet Growers' Association. We've got Mr. Krauter here, the chairman of the Ontario Farm Products Marketing Board.

I want to try to get some answers tonight on what is going to happen to the pullet growers. I happen to be meeting on Saturday morning with the president of the Pullet Growers' Association and sure as hell, I don't want to have to go back to him after our discussions tonight and tell him that we're no further ahead now than we were, I don't know how many months ago. If we don't take action right now, the pullet growers are going to be sold right down the drain. That's why I think we should have the opportunity to pursue some of these matters now, before we actually get into a discussion of the vote.

This can't go on any longer. We've got to get the answers. You've got your man here; he's met with the pullet growers, he's met with the Egg Producers' Marketing Board; by golly if we can't get the answers tonight, then it's not going to speak very highly of you and your ministry if I have to go back to him tomorrow and tell him that we are no further ahead than we were three months ago.

Hon. W. Newman: You want me to tell you tonight exactly what I'm going to de-

mand of the egg board or the pullet board that they have to do without proper discussion or planning. Are you trying to tell me that I must overrule both that the egg board and the other groups that are now discussing and trying to work out a problem, and that I must bring down a decision tonight so that you can go back and tell the people what my decision is at this point in time, when we're trying to negotiate it?

Mr. Riddell: I want to know where our stand is at the present time, rather than having to go back and say that we're no further ahead than we were three months ago.

Hon. W. Newman: We are making progress.

Mr. Riddell: All I want to know is what kind of progress we're making.

Hon. W. Newman: Mr. Chairman, may I suggest that there are procedures here. I'm quite prepared to discuss the pullet board and the egg board at any time. I'm here at the call of the committee to discuss things any way you want to. If I recall correctly—and I've been through one or two sets of estimates—normally I respond to the Liberal critic. Then I respond to the NDP critic. I was asked the other night to respond to the NDP critic because he had to go out and do a CBC interview, which is fair enough.

Mr. MacDonald: Right.

Hon. W. Newman: I responded to the NDP critic at that point in time. Because of the hour of the night—there were maybe three or four minutes left—rather than getting into responding to you, it was decided by the chairman we would adjourn until tonight. If we're going to follow procedure here, I should have the right to respond to your comments. If you want to discuss the pullet board, chicken board, turkey board or milk board, I'm quite prepared to discuss the whole doggone issue at any time. I don't care whether we ever hit the estimates, if it's policy issues you want to discuss I'm in the chairman's hands. He's running the show.

Mr. Chairman: Mr. Riddell, vote 1904 is the agricultural marketing program. I've got questions I want to ask about the marketing boards under that item. I don't think we'll get there tonight. However, if the minister wants to tell you as much as he cares to, that they're working out a solution, at least you'll have something to go back with. I have the same problem in my area because we're just cut off like a knife from the Quebec market.

Mr. Gaunt: As a former pullet grower, we have to look after these pullets. That's all there is to it.

Mr. Eaton: I thought you were a broadcaster.

Mr. Gaunt: I used to be one of those too.

Mr. MacDonald: I assume at the moment we're not talking about pullets, we're talking about procedures.

Mr. Chairman: That's right.

Mr. MacDonald: Let's focus for a moment on the procedure. We've all wrestled with these problems from the chair. I want to suggest to you that the minister should have a chance to reply to the two lead-offs in the same fashion as we had the right to lead off. Then we should go to the estimates and deal in the first estimate with anything that isn't in an estimate later on, that is, in votes 1901, 1902, 1903 and 1904.

Mr. Chairman: That's normally the procedure that's followed.

Mr. MacDonald: That's the normal procedure, except that I asked you earlier as to whether we wanted to do all this foreign land stuff now or do it later when we're dealing with the—

Mr. Chairman: Well, it's one of some importance. I do not want in any way to avoid—

Mr. MacDonald: If you open the door on the foreign lands, you're going to open the door on the pullets and the turkeys and everything else.

Mr. Chairman: It's a problem in this gentleman's riding, a real problem; and he wants answers if it's possible.

Mr. MacDonald: So do I want answers.

Mr. Riddell: Mr. Chairman, I think it's a case where Mr. MacDonald has not realized the urgency of this case.

Mr. MacDonald: I realize the urgency.

Mr. Riddell: I know full well that the egg producers are out borrowing money to expand their facilities to put in the chicks and raise the pullets and everything else, and the pullet growers are asking for a freeze. I'm afraid that if we don't get at this right away and get some solutions, it will be too late, it's going to be the end of the pullet growers. That's why I think we should get to this somehow tonight. All I want to do is find out what kind of progress you're making.

Mr. MacDonald: The minister may reply to that in his reply.

Mr. Riddell: I hope he does.

Mr. Lane: Mr. Chairman, I appreciate Mr. Riddell's concern. After all, if he had been that concerned, he should have cut short his time the night he was criticizing the minister, and left some time for this reply he wants to

make so badly. I'm a fair-minded man, I spend my hours on this committee as much as anybody else, maybe more than some, and I think the book indicates how we should follow the procedure. Now if the minister has to have expertise here to assist him in answering questions when he's going to be asked on a particular vote, that's his privilege to have these people here in the order that they come up. If he can answer the problem that Jack has tonight, God bless him, I'm all for it; but I don't think he should be under the gun, having to answer yes or no at this point in time when actually the vote comes up some time later in the estimates.

Mr. Chairman: Mr. Minister.

Hon. W. Newman: Thank you very much, Mr. Chairman, I will carry on; I'm not exactly sure where I left off here but I was talking about Kent county. During the same period of time, 1976-78, in Huron county the amount of farm land owned by people with foreign addresses increased from 2,423 acres to 3,989 acres. An increase of approximately 1,500 acres. Kent county has a total of 613,000 acres, which makes it less than one per cent of agricultural land owned by foreign non-residents. They even could be Canadians. As you're well aware, Mr. Riddell, you have 840,832 acres in Huron county. The agricultural land owned by non-residents amounts to less than one half of one per cent of the land.

Recent purchases can be traced through the farm tax reduction program—because anybody with a foreign address does not get the farm tax reduction on the land transfer tax—at the registry office or through ag. reps and other people. The total figure as I gave you before has gone from 2,423 acres in 1976 to 3,989 acres in 1978; that's out of total acreage in your area of approximately 841,000 acres. So this gives us some idea.

There was one exemption, of course, on 100 acres in Huron county; and that's fair enough because I think that purchase is doing a very worthwhile project for the area. You talked about that, how it shoved up land prices, did a little work on land prices in your area. They have to pay, of course, 20 per cent land transfer tax. In 1978 in Huron county, farmer-to-farmer sales of class one land without buildings took place at an average value of \$1,100 per acre. I can only give you averages. I can't give you specific figures in each case.

Sales of farm land, including buildings to foreign non-residents, also took place at an average of \$1,100 an acre. So it would appear that foreign non-resident purchasers are

not willing to pay much above the local market price for farm land. The land transfer tax, of course, is added on.

[8:30]

I guess if I had to draw a conclusion on this whole thing I would say maybe it's a little out of proportion. In 1979 there have been three land transfers to foreign owners in Huron, to our knowledge, totalling between 500 and 600 acres. You say you don't object to people coming in here; I think we should remember they've asked for deferral of the land transfer tax because they're going to move here and farm, from wherever they may be or whatever country they may be from. There have been deferrals where people come here and are actually farming. I'm sure you're well aware of the fact some people are actually farming.

A company or somebody, who's coming here and buying 1,000 acres of land, period, on a speculative basis, could very easily come under the Foreign Investment Review Agency of the government of Canada. They could be looked at very carefully. They could actually stop that sale or revoke that sale if they so desired.

They haven't really, in all honesty, been doing anything specific about it, because they get their information from the local papers and from other issues, and so on and so forth. I guess what I'm trying to say is we talked \$45 million and we talked large tracts of land, such as 40,000 acres. Our figures don't show that. The reports in the farm tax reduction forms and the registry offices don't show it. Mr. MacDonald asked me a question tonight. I think it's a very important question. He asked me: What about companies—Canadian companies or Ontario companies shall we say—that are holding land on a phoney basis for foreign ownership? I believe that was basically his question.

We haven't had a chance to go into all of it, but we have looked at some of them. We looked at all companies holding farm and in the 1978 farm tax reduction program. Remember, most of these incorporated companies are by and large family farms owned by father, son, and so on and so forth. I don't think that concerns you. What we did do, in the limited time we had was look at this. I was hoping for this report, at which point we could take a little more time. We will complete this report, but I want to let you know these numbers at this point in time.

As you know, some companies go by numbers. They're just a numbered company. If they have a number then they're a numbered

company. In Huron county there are four companies that have numbers. Their total holdings are 468 acres. In Kent county there are eight numbered companies. I don't know what that number means, but instead of calling it a father and son company or giving it a specific name, they just give it a number, so we let them number the companies. Of the numbered companies, which are the ones that might be the most suspect, all directors were Ontario residents.

I want to be very clear on this. We will do a more thorough study, but we looked at the named companies we thought might be somewhat suspicious. We did five per cent of the companies—not the numbered companies but the named companies—in Kent county and 10 per cent in Huron. We did this at random, but we tried to pick ones that looked like they might be foreign-owned.

For the named companies there was one director in a Huron based company who was an Alberta resident, and one director in a Kent based company who was a German resident. That's a random sample, mind you, of only 5 per cent in Kent county and 10 per cent in Huron county. We did all the numbered companies in both Kent and Huron counties. If this is the sort of thing you're talking about, Mr. MacDonald, I just want to point out to you we think we did a very representative group.

That's been done in the last few days. We had limited staff. We will follow through on that. I guess this tells me, along with using the computer figures on the farm tax reduction listing all the foreign addresses of all farm land in those areas, that something just isn't quite right, as far as the statements going on around here are concerned. That's why I say if you have something specific you can give me, such as a specific situation to indicate Joe Blow bought 1,000 acres down here, I want to know about it. According to the figures I have from Huron county in 1976, the total acreage of land registered with addresses outside of Canada, was 2,423 acres. In 1978, it's 3,989 acres, an increase of 1,500 acres in two years. The total amount is less than one half of one per cent of the acreage.

I just tell you it's my job to do this, that's quite right, and that's what I have done. I wanted to make sure those figures were on the record so you would have them. I could go no at great length about foreign ownership of land.

Mr. Gaunt: What about Bruce county?

Hon. W. Newman: We are doing Huron township in Bruce county, but we have not

got it done as yet. We have limited staff, but we have done these. As soon as we have that done we will give you the statistics on that particular one, because Huron township in Bruce county was the one you brought up.

I just want to set the record straight about foreign ownership of land.

Mr. G. I. Miller: What about the rest of Ontario? Is it out of line to ask you to do that?

Hon. W. Newman: No, we are trying in our own way to do as much as we can within the limitations of our staff. Overall, and this is a ballpark figure, and may be unfair because we have used the tax rolls and the computer printout, the overall foreign-addressed land in the province of Ontario runs about 1.4 or 1.5 per cent maximum. This would include anybody with an address outside the province of Ontario; it might be in Quebec or the Maritimes, or somewhere else.

We haven't done a detailed study for the rest of the province at this point in time because we have not had the staff to do it. I was specifically asked to do these way back when this came up and this is what we have done. As far as I can see at this point in time, we do not seem to have a particular problem.

Mr. Riddell: Before you go any further, I don't believe you indicated the number of acres in Kent county that had been purchased by the eight numbered companies. You said it was 468 in Huron. How many was it in Kent?

Hon. W. Newman: It was 2,602 acres. I think that goes back to 1976. Does that go back to 1976 or all the way back? Is Vern here? Does that go all the way back or is that back to 1976?

Interjection.

Mr. Riddell: Is that all, is that the total?

Hon. W. Newman: No, no; that's what is showing on the records in 1978. What I am asking is how far back that shows in total? Does that go back to 1974?

Mr. MacDonald: The tax was imposed in 1974 and the 1978 figure will be an accumulated total for the years.

Hon. W. Newman: Yes, that's my understanding.

Mr. Spencer: That's correct.

Hon. W. Newman: Is that correct? That was my understanding.

Mr. Riddell: There are 6,045 acres in Kent with a foreign address.

Hon. W. Newman: No, no; 2,602 under the numbered companies.

Mr. Riddell: No; wait a minute. You indicated that under a foreign address there was—no, I guess it's gone down in 1976 from 6,045 acres to 4,483 acres.

Hon. W. Newman: Right.

Mr. Riddell: Now in addition to that, there were 2,602 acres bought by numbered companies; is that right?

Hon. W. Newman: I assume that would all be part of the same process. Is this an add-on?

Mr. Spencer: The numbered companies were all Ontario companies so they don't show up as foreign addresses. They are two different sets of figures altogether.

Mr. Riddell: Those are in addition to the ones with foreign addresses.

Hon. W. Newman: Yes.

Mr. Riddell: I can't speak for the part of the riding Mr. Gaunt represents, but I would dearly love to accompany whatever person the minister has who is going into my part of the riding and coming up with a figure of \$1,100 an acre. I would challenge you to come in and buy land, in the part of the riding that I represent, for \$1,100 an acre or for anything less than \$1,500 an acre. Where that \$1,100 an acre comes from I would dearly love to know. I talk to farmers, I talk to young people—I'll be talking to them tomorrow at the Centralia college graduation—and I'll bet you there won't be a one of them who will be able to tell me where they can go and buy land for \$1,100 an acre. I don't know where that figure comes from, I really don't.

Hon. W. Newman: I think it came right from the registry office. If it did, they must have filed the wrong papers, but the registry office does file the price of land, as I am sure you are well aware. And these were taken right out of the registry office in Huron county.

Mr. MacDonald: Don't tell me there are under-the-table deals up in Huron? So much on-the-table and so much under-the-table?

Mr. G. I. Miller: No, but they could be up from 1977.

Mr. Gaunt: Actually, in my part of the county, which is further south, we are a little more depressed.

Mr. Wildman: I didn't realize you were depressed.

Mr. Gaunt: Land prices are not quite so high, so there could be an averaging factor in there which might apply. I know that in the northern part of Huron anywhere from \$600 to about \$1,000 an acre is the applicable price, so that may account for it.

Mr. McGuigan: Mr. Minister, if I could just take part in this. The figure I believe is very important to us is not no much the percentage of land that is foreign-owned, but it's the percentage of recent sales to foreign owners. I think you probably are well acquainted that in North America the historical change in land is one per cent a year. Land only sells at rather infrequent periods; it takes 100 years, in theory, for the total acreage of a county to be turned over; therefore, the really important figure is the percentage of sales in recent years. For instance, if you are using, say one per cent of the last five years, you know you could really be talking then of 20 per cent of the total of sales.

Hon. W. Newman: We are talking about one per cent over two years, or back to 1974 really. But right up until last week at the registry office, I believe, and I will repeat the figures, there were three non-resident addresses in 1979 up until the end of April. It was either up until the end of April or into May, I am not sure. I can't give you the exact date. They have been checking them up there.

Mr. Spencer: Some of the figures we had were for an eight-month-period, which was from the time of the farm tax rebate printout about a month ago. So for an eight-month period there were—well we have them figured out in different ways, but in Huron I believe it amounts to 425 acres. I am not exactly sure how many sales that constitutes.

Mr. McGuigan: It's a bit like the chain stores reporting their profits as a percentage of sales when their profits really should be reported as a percentage of investment; so there is another figure here that should be brought out.

Hon. W. Newman: May I just say one thing, Mr. Chairman? We brought out these figures tonight, we are not trying to hide anything.

Mr. McGuigan: No, I know you are not.

Hon. W. Newman: They are all there. If you have concerns, let me know about them; because as I was about to say before Mr. Riddell said something, if there is a serious problem in this province then we are prepared to do something about it. In addition to the work that we have done—and our staff have worked long hours of overtime—if there is a problem we are prepared to do something about it. I have complete confidence in my staff, who have worked very hard on this. If there is a serious problem, fine, we will do something about it; but, to this point in time, I have seen no indication of one.

[8:45]

Mr. Riddell: Mr. Minister, there has to be a problem when we are getting all this information from farmers who have been approached by the investors; and now with this letter I got from the Committee for an Independent Canada, which talks about—

Hon. W. Newman: Did they ask to join?

Mr. Riddell:—having members from the federal Parliament, provincial Legislatures: "I would like to extend an invitation to you and members of your staff to join us in our cause. The London chapter intends to take a thorough look into the activities of the Ontario government in the areas of foreign ownership, control and cultural domination. Thank you for taking a stand on the underlined fire sale of Ontario farm lands to foreign investors."

Mr. Watson: Show them and straighten them out.

Mr. Riddell: We are getting letters—

Mr. McNeil: There is no fire sale.

Mr. Riddell:—we are getting calls from farmers—

Mr. Eaton: What else do you expect?

Mr. Riddell:—this isn't something we are dreaming up; it must be a real concern.

Hon. W. Newman: It may be nothing you are dreaming up, but I would suggest that if you would like to subscribe to some of the papers in my area you will see ads, you will have real estate people coming in to see you and they'll tell you they have all kinds of foreign money. I had one fellow who came to me and said: "Look, I've got \$40 million of German money that I want to invest in Canada; I want to do it in Ontario, but I can't invest it in Ontario because of your land transfer tax." Of course, the land transfer tax has been removed from housing and other things, but not from farm land or not from recreation land. He said: "You are stopping us from investing in Ontario." That wasn't very long ago. He went somewhere else, and I won't say what other province he went to, but he went to another province.

I talk to real estate agents quite often, because they are always bugging me about our food land and guidelands and why we are being so tough. I get real estate agents calling me all the time for their companies.

We could talk about this all night, and I am quite prepared to do so if you want to, but our people have worked very hard because I said we would do this study. They have worked long hours of overtime to get these figures put into place. I would like you or the Committee for an Independent

Canada—and I know several members who are on that committee—to give me some examples. You talked about \$45 million. First you said it was in Huron, then you said it may be in Toronto, then you said it was back in Huron. Where is that \$45 million? I don't know. Just give me a hint so we can check it out.

I am not saying you are wrong, but I am saying that the figures at least indicate you are wrong, let me put it that way. If you can give me some indication I am quite prepared, seriously, to go to cabinet and to our government and say we have a problem; but the figures that we have don't indicate a problem.

Mr. Riddell: Just as one last parting shot: A woman from, I believe it was up in the Markham area, I didn't know her but for some reason she phoned me.

Hon. W. Newman: Are you sure?

Mr. Riddell: She said that she had contacted one of your ministry officials, I don't know who it was, somebody who has something to do with this business, and do you know the answer that your official gave her? He said: "Lady, it's like a liner on the ocean; it's going and it can't be stopped." That is exactly the kind of attitude I think you and your people are taking as far as foreign investment is concerned.

Hon. W. Newman: No: come on now, let's be fair about the whole thing, that is not true. I have just finished saying that if someone can show me there is a real problem then this government had better do something about it. To make statements is fine, it's great; it gets press and television coverage and the papers write them up.

You did a good job tonight; I appreciate it and I'd like to talk to you about that. I admire what you did today. You could've done it more quietly; but it's all right, you did it, you did the right thing. I am being a little facetious here, but seriously if there is a problem then I want to know about it.

I have confidence in my staff. Mr. Spencer is head of that branch and his staff and others have worked very very hard in order to get these figures out and ready for me tonight, so that I could give them to you. As I say, we haven't quite finished. We have got a little further investigation to do on some of the companies, more investigation to do on Huron township and Bruce county. They have worked long hours; I know, because I have to put in fairly long hours myself, and they are still working long after closing time for most people.

Mr. MacDonald: Mr. Chairman, if we are winding up this particular topic, I just want to make a brief comment, then as far as I am concerned it can be left, for the moment at least.

The thing that disturbs me about this is that your staff has had to go out and try to get these figures at this stage to find out whether or not there is anything in them. Ten years ago I have a distinct recollection of Bill Stewart raising the alarms with regard to the amount of Ontario farm land that was being bought by foreign interests. I know that in 1975—I have a memo here that was produced by our research department for Stephen Lewis in the 1975 campaign, and it is a fascinating study. It's out of date now, but it's interesting. It was an analysis of the foreign sales that were going on in Kent county prior to the land transfer tax being put in and then afterwards.

What happened afterwards? The man who was doing most of the sales happened to be a man by the name of Sileno Corsini, and afterwards it was all in the name of a company, but one of the signing officers was Sileno Corsini. That was three years ago. The issue has come up again.

Hon. W. Newman: Oh, no.

Mr. MacDonald: Just a minute. It was raised by Jack Riddell.

Hon. W. Newman: No, it was brought to my attention—let's get the record straight—a long time ago. Long before he brought it up in the House it was brought to my attention.

Mr. MacDonald: Okay. I was hoping to provide this without interruptions. The point that I was going to make is simply this, I think it is time for you to do an analysis of, if not the whole of the province, at least most of the major agricultural counties so that you have the figures and then release that, and if the Committee for an Independent Canada or Jack Riddell or Murray Gaunt or anybody else has any specific hard information that challenges that then you can incorporate it into it.

Our problem at the moment is that we have been talking about this. You are disturbed about all these rumours that seem to build up a case in which you say the figures—look, you have created the problem yourself, your government has created it. You should have got on top of this issue 10 years ago, because the fact you put in the land transfer tax in 1974 indicated that you were disturbed about it, you wanted to stop it. Is it still going on under the front of companies?

Give us an up-to-date, total, reliable set of information. If anybody can provide you with other information to challenge that and show that your procedures, your methodology in using the computers or using assessment rolls or registry office rolls, or something, is not accurate to give you an accurate picture, fine, but our problem at the moment is that you haven't done the job. Vern and the others have been working overtime to do now what should've been done two or three or four or five years ago.

Hon. W. Newman: Oh, no. We did one in 1976; this one was started several months ago. What I was saying was that it takes time to do it. I could have said I can't give you these figures until after we are finished, but I didn't; I asked them to work overtime so we could do it now, because our estimates are on. It would have been done and the figures would have been released. I could have said, "We'll be another three or four weeks before we are finished," and not given you these figures, but I asked them to work overtime to do it and now we've done it.

Mr. MacDonald: Look, Mr. Minister—

Hon. W. Newman: Oh, no, look yourself.

Mr. MacDonald: —please don't chastise me. You have done it for two counties. My point is that you should have done it for the whole province.

Hon. W. Newman: I'll chastise you every time I think you are not right.

Mr. MacDonald: You should have done it for the whole of the province. You got it so late you now have figures for two counties. You were asked about Bruce and you can't provide the figures. My point is simply that if this is such an important problem that the Minister of Agriculture was talking about it 10 years ago, it was so important that the provincial Treasurer brought in a tax to try to stop it five years ago, you should have an up-to-date figure on exactly what the situation is in every county. That's all I want to say.

Hon. W. Newman: Mr. Chairman, may I just make one comment? It's all very well to say do all of this and do all of that and then you say we spend too much money doing this, that and the other thing. What I am saying is that we have ballpark figures for the whole province; we have done specific investigative work in any area where we have had doubts. The only one that is not concluded at this point in time is Huron township in Bruce county, and that's where it is all happening, supposedly. I haven't seen this \$45 million, I don't know where it is, we've done some work on it.

Mr. MacDonald: How about York, Peel, Dufferin, Grey—

Hon. W. Newman: I come back to what I've said time and time again tonight, and that is, if you have something that you know about—which you probably don't—I welcome your information. Sorry, I shouldn't have been sarcastic.

Mr. Eaton: Mr. Chairman, I just want to direct a further little question to the minister in regard to this. I know it has been looked at before and is continually being looked at and doesn't seem to be the problem some people would make it out to be. I wonder if the minister has looked at the other side of the coin at all, where producers from Ontario are proceeding to invest their money in land on the other side of the border. For instance, in Kent county, we talked about foreign ownership of 2,600 acres. I know a particular case of one farmer there who, I understand, has just purchased 1,200 acres in the US.

Mr. McGuigan: That way he runs into registration law.

Mr. Eaton: If we find it is going to be a situation in this province where we cut people off from being able to come here and sometimes invest—they may not come right away but they eventually do—we are going to find the same kind of sanctions put back on our own individuals who may want to invest in other countries and to do some farming there. Not all situations of people investing here are that bad. I know the member for Huron-Bruce certainly supported the exemption that came before our regulations committee of one foreign purchase.

Mr. Gaunt: I certainly did.

Mr. Eaton: You certainly did, and I supported it too.

Mr. Gaunt: I don't know how one can be so right and yet be so wrong.

Mr. Eaton: I supported it there too because I think it was a reasonable type of approach to something where the investment was going to be good here and can probably bring some benefit to our agricultural production. I just wonder if the minister has looked at the other side of the coin at all in regard to purchases being made.

Mr. Chairman: We have had a pretty full discussion on this. The bell is ringing. We will have to recess to go to vote and we'll come back right after the vote.

The committee recessed at 8:56 p.m. for a vote in the House and resumed at 9:20 p.m.

Mr. Chairman: The meeting will come to order. Mr. Eaton, are you finished?

Mr. Eaton: I left a question with the minister.

Hon. W. Newman: Mr. Chairman, I would just like to comment that I am fully aware of the other side of the coin where Canadians and Ontarians are allowed to invest outside of our country in a good portion of the United States and other countries. If we did something drastic, we could create some retaliatory action on the part of other countries. That's why I am saying that unless I see some really serious problem we have got to get along and work with our neighbours, whether they be to the south of us or in other countries where they don't have restrictions. There are some provinces that have restrictions. I believe some of them have been challenged in the courts and didn't do very well in the courts when it came down to examining the legislation, I believe that was Prince Edward Island.

Mr. Riddell: Mr. Minister, they have a registry act in the United States, and that's all we're asking for here; to find out how much of this is going on. Let's get a handle on it and make sure it's all registered as to who the foreign investors are, the amount of money that has been sunk into the land—

Mr. McGuigan: Foreign registration.

Mr. Riddell: Foreign registration; that's right. Four provinces in Canada now have some type of legislation—

Hon. W. Newman: In various forms.

Mr. Riddell: —and they have it in the United States. Furthermore, if you don't think it's a problem, why has the Ontario Federation of Agriculture set up a special committee, headed by Ron White, who Bob Eaton knows very well—

Hon. W. Newman: A very fine fellow, by the way.

Mr. Riddell: Yes, he is—even though he's a Tory. But they have set up a special committee to look into this very thing we're talking about.

Mr. Eaton: They want to get the facts instead of a lot of rumours.

Mr. Riddell: This surely isn't the job of the OFA, the Liberal Party or the NDP. Surely it's up to you, with all the staff you have, to do a more thorough job than you have been doing.

Mr. Eaton: You're not satisfied with the figures because they don't support your rumours.

Mr. Riddell: I am not going to say anything more on it; I think Jim wants to clarify what he was getting at on this one-per-cent-over-100-years bit.

Mr. Chairman: Mr. Watson is first; then Mr. McGuigan.

Mr. Watson: Mr. Chairman, that is the exact point I want clarified. Mr. McGuigan said it was an average of one per cent, but I would think that farms change hands more often than once in 100 years on the average.

Mr. McGuigan: One per cent is the accepted figure among agricultural economists; it takes 100 years—

Mr. Watson: I don't take the word of a lot of economists, but a one per cent change is not realistic.

Mr. McGuigan: I believe it is, Andy.

Mr. G. I. Miller: I don't think it's too far out.

Mr. Watson: That farm land only changes once in 100 years?

Mr. G. I. Miller: New family ownership.

Mr. Watson: It changes ownership oftener than that.

Mr. McGuigan: It is a historical fact that in North America it takes 100 years to turn over the acreage in any sort of given unit of a county or a state, because many farms stay within families and don't come on to the commercial market. So to say that only half of one per cent or one per cent in the last three or four years is foreign controlled is a useful bit of information, but it isn't the total story. What should also be brought out is the percentage of land in any given year that is foreign controlled.

Mr. Eaton: What kind of acreage are you talking about in Kent county?

Mr. McGuigan: I haven't any specific information on Kent county, but I think you will find that it is a pretty average figure, that only one per cent changes in any given year.

To get back to a point made by the member for Middlesex, there are Canadians buying US land; but when they do so they run into a reporting act in the United States which requires foreign owners to register. It also requires companies to register where the shareholders live; they can't get away with just incorporating. There is no prohibition on foreign ownership of land, but there is a penalty; if you don't register, I think the penalty is 50 per cent of the value of the land. That's a pretty darned good penalty for failing to register.

The main point is to get a handle on this thing and find out how serious a problem it is. Certainly, as in the case of my colleague from Huron-Middlesex, people are coming to me and telling me all about foreign land

sales, and I don't have the answer for them. I don't think either one of us is here on a witch-hunt to blame anybody. We are pointing out that there is this problem and that it is probably going to increase. It is our belief that it is the minister's responsibility to find out.

[9:30]

I would point out, too, that even an amount as low as half of one per cent or one per cent can certainly set a market. I know that, and I think the minister knows that from his experience in farm marketing. It only takes a very small percentage of surplus or shortage to really affect the sale price by a far greater amount than the shortage or surplus. A one per cent surplus can give you a five or 10 per cent drop in prices and vice versa.

There is a good reason why people are buying land. I must apologize for quoting US figures, but they are more easily available. A study has been done on this. It's the same people buying US land as are buying Canadian land and there is a darn good reason they're buying it.

If you take figures that are adjusted for inflation, you find that farm land, from 1967 to 1978, increased about 79 per cent, a single family home increased about 25 per cent, corporate bonds increased about 19 per cent, saving accounts, with the interest compounded, decreased by about 10 per cent, common stocks—this is the New York Securities Exchange composite price—decreased by about 21 per cent and cash has decreased by about 45 per cent in that same period of time, so it's a smart thing to do to buy land.

Since 1974, land has been going up at about 15 per cent a year in North America. Add to that a five per cent return for the use of the land. Most of these people—Mr. Corsini being one of them—rent the land out at about five per cent of the purchase price so they end up with 15 per cent yearly appreciation on the value of the farm and five per cent interest, a pretty healthy return at 20 per cent even if you discount for inflation, say, to half. It's one of the best investments a person can make.

We think that this problem is only beginning and Ontario farmers are darned concerned. I'm surprised that your farm members from other counties haven't run into the same thing that we have in the Liberal Party. So there are very good reasons behind our concern, Mr. Minister.

Mr. Gaunt: Mr. Chairman, I just want to support what my colleague has been saying here, and also to support my colleague from Huron-Middlesex in terms of trying to find

out the dimensions of the problem, because I think that's very important. We have people who come to us from time to time and express their concern, and I know that in some cases it's quite a valid concern. I would be very interested in getting the figures with respect to Huron township in Bruce county, because that's the area I've had the biggest number of complaints from. It seems to be happening for some reason or other in that township to a greater extent than in any other in my part of the area, so I would be very interested in those figures.

Hon. W. Newman: We said we would do Kent county and Huron county. As a result of your request, we added Huron township in Bruce county, but we just have been unable to get them done.

Mr. Gaunt: Sure, I understand. There is no problem. There is just one positive aspect to all this. I suppose one can always find something positive in everything, but I think there is a positive aspect to this, and that's the fact that things just can't be as bad as Joe Clark is saying, otherwise foreigners wouldn't be coming in and buying this land and investing money in it.

Mr. MacDonald: If you want a positive aspect, wait until the election results come in from BC and you'll look for the positive aspect from the Liberal point of view.

Mr. Eaton: I have a question for the minister. Do you have any records, from the work your staff has done, on the total number of acres that changed hands and that are recorded in the registry office? In one particular case you came up with the figures.

Hon. W. Newman: No, we don't but there were a lot of transactions.

Mr. Eaton: There were a number of transactions?

Hon. W. Newman: There were hundreds of transactions. I think there were over 400, but I've forgotten. Somebody gave me a figure of the total transactions in the Huron county office. We were just rezoning in on this particular one.

Mr. Eaton: The percentage bought by foreigners would hardly reflect the total sales in one year if we're talking about one per cent of the total county.

Hon. W. Newman: A lot have been farmer-to-farmer sales too.

Mr. Watson: Mr. Riddell asked a question a while ago as to whether or not I agreed with some of the details. I took part in my own survey in Kent county in 1976. I was updated on that tonight. At that time we went back five years and found that some

1,900 acres were purchased in the last five years by people who were considered to be foreigners or non-residents with so-called foreign money.

One of the problems about that 6,000 acres that has decreased to 4,400 is that just having had that vote in the Legislature, that 4,400 is going to go zing now with the capital grants in Kent county. A lot of the land is owned by people who inherited it who are now living in Detroit or Michigan. They inherited the farm but they stayed over there. When people come and get capital grants that's the sort of information you get. "The owner of this is my sister who happens to live over in Michigan because she married a guy in Detroit. I just rent it from her."

I'm sure a lot of that 6,000 which has decreased to 4,400 would be picked out in the computer from the tax rebate point of view. Therefore in the last two years, according to my mathematics, we have had about a 600-acre increase of foreign-owned land.

With regard to setting the prices, I was very concerned about this and a year ago last summer I went out to a 50-acre sale in Dover township where land was up for auction. It was one of your auctioneer buddies who set it up. I saw three local people, not foreigners, run that 50-acre farm up to \$150,000. Then the auctioneer said: "That's as far as we can go. I'm sorry it doesn't meet the reserve bid." So it wasn't sold.

When you've got three local farmers all buying farms like that, with everybody there saying foreigners are setting the price, I just had to ask the question. I've used that example several times. There was no foreigner standing there poking those fellows in the back and saying, "Bid more." They were all well-known local farmers who ran that farm up to that money.

I would just like to say from my standpoint I know the fever that goes through the farm community, and went through Kent county, saying the foreigners are buying all the land. But of the 1,900 acres I know of that were sold, I expect I could point to at least 1,500 that went to buyers I know personally. Every farmer up and down the road knew every one of those farms. It does tend to set the price.

Mr. McGuigan: Why did they put the reserve bid so high? Your example really doesn't prove anything.

Mr. MacDonald: If he didn't sell it to a local person, then he could sell it to a foreigner at a higher price.

Mr. Watson: No, he didn't. He went back and sold it to one of the three people who had been bidding.

Mr. O'Neil: He wanted to get all he could.

Mr. Watson: It's not in quantity. Everybody talks about it but when I try to put figures to it I can't get excited about it.

Mr. MacDonald: Mr. Chairman, can I make a suggestion?

I judge from what the minister has said that you haven't had a regular procedure, a methodology, for a period reporting on the situation on all of the land and all of the counties that are predominantly agriculture. I suggest that should be done, whether it's every six months, whether it's every year or whatever time period. I'm not competent to judge on that. If you want to lay to rest this persistent rumour that the foreigners are buying it, the quickest way to lay it to rest is to establish a methodology, and every six months or every year report what the figures are and they're there.

Mr. Watson: Do you want to do it for the apartment buildings? Do you want to do it for the shares in the Toronto Stock Exchange?

Mr. MacDonald: For the moment we're doing it on agricultural land. If the Minister of Agriculture and Food of 10 years ago was sufficiently exercised, if the provincial Treasurer was sufficiently exercised when he brought in the tax in 1974, there were obviously concerns in the government. All I'm suggesting is that you avoid this thing recurring again, and rare cases being magnified into a general principle, a general pattern. I know this is common. I can go into my own constituency and if one Pakistani gets a job everybody in the constituency thinks that every job is going to Pakistanis.

It's that kind of a rumour that grows into no Canadian being able to get a job because the foreigners are getting the jobs. You get one Pakistani or one coloured person getting a job, for example, on the municipal government, within the garbage collection or what you will, and that fellow will be pointed to as proof of the fact that no Canadian can get a job. The answer is put out the facts: There are 350 people working, one of them is a Caribbean; that answers it. Put your figures out every six months, at least for a time, and you will answer the thing. Then anybody who disputes it will have to come up with facts to deny your figures.

Mr. Eaton: We just laid those facts out and you still don't believe it.

Mr. MacDonald: You just dug those facts out, and they are only for two or three

counties. What about Peel, what about Dufferin, what about all the others?

Mr. Eaton: Doubting Thomas.

Hon. W. Newman: It's all very well to say go ahead and do the whole province on a six months basis—

Mr. MacDonald: Pass a registry act like in the United States and everybody will have to do it.

Hon. W. Newman: You would legislate everything, we don't. We're trying to deregulate and delegislate.

Mr. MacDonald: Don't indulge in that kind of—

Hon. W. Newman: Don't say that.

Mr. MacDonald: If it's been done in four provinces and it's done in most of the states, it can be done here.

Hon. W. Newman: What's happened in some of those provinces and what's happened in some of the states? Look at it. What I am saying is that we could probably do a runoff in the farm tax reduction computer without too much trouble. How accurate are those figures? We would be within one half to one per cent accurate. But to say to do the whole province, it does take a lot of time and a lot of staff and a lot of money to do it. We have a ballpark figure—and when I say ballpark, within one half of one per cent is a fair statement. We could do that off the farm tax reduction statistics across this province; which we have done, so we have some bit of a handle on the situation. The only reason we did these specific areas is because of concerns we had in the ministry. They were later brought out by other people but we had these concerns at the time.

I get a biweekly report from every agricultural office across this province, which I read personally. I must admit occasionally I miss, but by and large I read those reports and I have a pretty good indication of what's going on across this province in every county and district. The ag reps do a good job in this area. They write in and occasionally I'm quite sure they think I don't read their reports because of the comments, but they always get a letter back from me. I don't know whether Andy ever did or not, but they always get a letter back from me, letting them know or asking for more detailed information. So we can get a pretty good handle on what is going on in this province from our people out there in the field, our hard-working people out there in the field. We get a pretty good handle of what's going on.

Mr. MacDonald: Get the facts out and lay the rumours down.

Hon. W. Newman: Oh sure; I've just given you the facts and I think you don't want to believe them.

Mr. Eaton: You dispute the facts and you help to create rumours.

Mr. MacDonald: I'm not disputing them; I'm just asking—

Hon. W. Newman: Can I go on, Mr. Chairman?

Mr. Chairman: Yes, let the minister go on.

Mr. Riddell: We'll let it go the way the sugar-beet industry went in Ontario.

Mr. McNeil: Whelan was going to bring it back; he's in a position to do it.

Mr. Watson: He was going to do that a long time ago.

Mr. Eaton: That's right.

[9:45]

Mr. Watson: Promises, promises.

Mr. Eaton: The feds took the protection off the industry.

Mr. Riddell: Who let that plant close down in Chatham?

Mr. Eaton: The feds. Because there is no Canadian sugar policy.

Mr. Riddell: We are always good at closing the door after the horses leave.

Hon. W. Newman: Oh, no. We haven't closed any door after the horse is out, or anything else at this point in time. We are keeping an eye on it.

I ask you, I implore you, if you know of a specific instance and you mentioned thousands of acres in blocks—if you know of an instance where somebody has bought 1,000 acres on speculation in Huron county, please, give us the information and let us look into it. After all, this is politics and you are here to disagree with me, it's part of your job to tell the government what it is doing wrong, but I think we have a common goal and a common obligation. If you know of a specific problem in your area or in your riding, please let us know and we will gladly look into it.

Mr. Chairman: That's fair enough.

Hon. W. Newman: If I may go on, I will try not to be repetitive, because I think I covered a lot of Mr. Riddell's comments when I was replying to Mr. MacDonald.

As you know, the area of petty trespass and the occupier's liability is the subject of a white paper and proposed legislation introduced in the Legislature today. What we as a ministry have done as an experiment is we have videotaped the basic contents of

the white paper and have sent a videotape to all the television stations in the province, including the small ones. There are two-minute tapes and eight-minute tapes, which we made over in my office. We think this will explain it very clearly to the agricultural communities of this province. Anyway, we hope that all the comments will be in by the end of June and that the bill will be passed this fall. The Ontario Federation of Agriculture has had a lot of input into it.

I don't know if you have had a chance to read the booklet or not, but there is a booklet on it and a copy of the proposed legislation. You brought that up in your comments and, in passing, I thought I would mention that that was done today. I knew that was coming.

The food land guidelines I think I covered last night, but you did get into one thing that I would like to take a minute or two on; that is the area of marketing boards. I am not exactly sure, if I may say so, where you stand or what you think should be done, but I would like to make a few comments on the various marketing groups you have mentioned. I want to make my position very clear. I have repeatedly supported the concept of marketing boards in this province. I have done it everywhere I have gone. Whenever possible, I speak about marketing boards; I have supported them. I have supported some supply management programs and, of course, national plans for milk, eggs, turkeys and chickens. All I have to say is that you should read some of my speeches and you will know exactly where I stand on those.

Mr. Riddell: I get them. I appreciate them, and I read them.

Hon. W. Newman: I made a speech to the Ontario Dairy Council. There was a lot of flak over that speech; it got a fair amount of press in the Toronto papers. The speech was about industrial milk. I think you were referring indirectly to that particular situation; maybe you were and maybe you weren't, but I assumed you were.

I want to make my position very clear as far as the industrial milk program goes in Canada. I support the concept of national supply management of milk in the industrial field. It started basically in 1970, with various provinces coming in. I am saying it needs an overhaul. Populations have changed, consumer tastes have changed, demands have changed—a lot of things have changed since the plan first came into effect. It is like everything else; it should be reviewed.

What I am saying, as far as Ontario is concerned, and quite strongly so—and I will

probably get into more detail when we get into the estimates—is that the province should get credit for any cheese that it could export, which we can—we don't have the milk to produce that cheese; we should get credit for that. There should be a reallocation of the market share quota across Canada. Somebody is going to say, "There is a national supply management committee working on it." But, by the same token, that committee has been working for some time, and the province has a representative on it. What I am saying is, as you have said here tonight, that you can have the best marketing system in the world, but sometimes somebody has to take the bull by the horns and do something about it.

As far as the national supply management of milk is concerned, it's time they overhauled it. We were asked by the Canadian Dairy Commission and by the present Prime Minister to produce more specialty cheese. Our milk marketing board went out to do this; it was done and I give them credit for it.

I'm now saying there should be a review of the whole industrial milk situation. I'm not saying scrap the program, I'm not saying that at all. But a province like Alberta, I'm going to use that as an example, will not likely use its quota for this year while other provinces are spending millions of dollars to build plants to make cheese and plants in a province like Ontario, are running at 50 per cent of capacity. There's something wrong with this system if there can't be some adjustments made in it.

I'm not asking to take anything away from anybody else to give to big bad Ontario as certain federal people would think, all I'm asking is an equitable break for the producers and the processors in this province. That's all I'm asking for, and I will continue to press for just that.

Even though the national supply management of milk is a good program, there has to be some change in it because it does not make sense. I had a call from one of the Toronto papers tonight about a fellow from Alberta. Because the producers aren't producing enough, he can't get enough milk out there to make cheese for the market here in Ontario.

I only use those two provinces as examples but it seems silly to be spending millions of dollars to build a plant to make more cheese in a sister province when we have the capacity to produce that cheese. We object as producers in this province, making a payment to get rid of any surplus powder or butter which is dumped on the world market

when that milk could readily be used to produce the very products we need here in this province.

Mr. Chairman: Six plants were turned down in Ontario last New Year's—no milk.

Hon. W. Newman: Yes, that's right, I'm fully aware of it. I know the chairman is very familiar with the milk industry; we talk about it a great deal.

I'm just asking for an interprovincial adjustment that will look after the market requirements in this province, not all of them, but a good portion of them. I've been hammering on this for some time.

I believe it was just last week the chairman of the Ontario Milk Marketing Board went to Ottawa and suggested there's got to be an interprovincial adjustment to improve not only production but also market requirements and special provincial quotas for exports. That was done by the Ontario Milk Marketing Board. These are the two major points I've been making for some time.

I am also very concerned about a point we will probably get some discussion on, something I've asked to be put on the agenda for the federal-provincial conference. This is the ability of our young farmers to enter into farming enterprises which are under supply management programs.

I have some concerns about the McGregor-Lane report on quota values and I'm waiting to get reaction from the various supply management boards on that. I have no intention of agreeing to any proposals which will make it any more difficult for young farmers and which would lead to the high escalation of quota values at the expense of some of our young farmers.

I think you talked about CEMA—the Canadian Egg Marketing Agency—and you indicated the formula guarantees a profit to the inefficient producer. I think if you check Hansard that is basically what you said. I don't think that is quite true. The formula is based on the average cost of production of producers in the 20,000-bird range. Maybe that level should be raised above 20,000 birds, I don't know, maybe it should go up to 30,000 or whatever, but we think if it's done on the cost of production of a 20,000-bird flock that's a pretty good average to work with.

You mentioned the pullet board, and I have a note here that the pullet association and the Ontario Egg Producers Marketing Board are currently having discussions and working on a mutual solution. They met, I believe, with the chairman of the Ontario Farm Products Marketing Board on Tuesday.

Mr. Riddell: You say "they", am I not correct in saying that representatives of the egg producers met with the farm products marketing board on Tuesday?

Hon. W. Newman: Yes.

Mr. Riddell: Were there any pullet representatives there?

Mr. Krauter: No; not at that meeting.

Hon. W. Newman: But we're fully aware of the pullet producers concerns. We're fully aware of the pullet producers who were in production before 1970 and those who've gone into production since 1970. And I'm also concerned that—

Mr. G. I. Miller: Do you have the numbers there, Mr. Minister? The numbers before and after?

Hon. W. Newman: There were about 26 producers with 230,000 birds prior to 1970. We have asked the pullet people to give us the numbers since 1970, and I must say the figure goes up hourly as we get phone calls into the office. So I don't even have a ballpark figure on that. Who would know? Bob, would you have any idea? We've been trying to get a handle on that.

Mr. G. I. Miller: You don't even have an estimate on the ones after 1970?

Hon. W. Newman: No, because even the pullet producers can't give it to us; nor can the egg people give us a firm handle on it at this time.

Mr. G. I. Miller: Would you be prepared to put a freeze on it at this time until they get the thing sorted out?

Hon. W. Newman: I'm prepared at this time to let the egg board and the pullet producers try and work out a solution. They know, and I think the farm products marketing board, which has done an excellent job on this, is also working on it. As far as I'm concerned, I'm prepared to let them try and negotiate this thing.

Mr. Riddell: They have been at this for how long?

Hon. W. Newman: Just a minute.

Mr. Riddell: You say you're going to let them work it out, and yet the pullet growers tell me that every proposal they have put to the Ontario Producers' Marketing Board has been rejected out of hand, and now they don't know where to go. They don't know what more they can do.

Hon. W. Newman: Do you want a vote? Do you know what would happen if they have a vote?

Mr. Riddell: When they've reached a stalemate, does the farm products marketing board not step in and say, "We're going to have to make the decision"?

Hon. W. Newman: Yes; and this problem was before the farm products marketing board only about two weeks ago.

Mr. Riddell: This problem?

Hon. W. Newman: Yes, this specific problem was brought to the farm products marketing board about two weeks ago.

Mr. Riddell: Do you mean to say that it's only been two weeks since the pullet growers made any kind of a submission?

Hon. W. Newman: Since April 6.

Mr. Riddell: Oh boy, I'll be checking on that. Because the president of the pullet growers contacted me—I bet you it was five weeks ago.

Hon. W. Newman: April 6 is five weeks ago.

Mr. Riddell: You said two weeks, didn't you?

Hon. W. Newman: No, they met two weeks ago, I said.

Mr. Riddell: But this thing has been going on—

Hon. W. Newman: The pullet growers and the board met two weeks ago; and they met again with the egg board just Tuesday of this week.

Mr. McGuigan: You mentioned having a vote. Who were you referring to?

Hon. W. Newman: The pullet association asked for a vote. I think they should negotiate it with the egg producers. Mr. Krauter may want to comment on it, but I think they're making progress. I think they're getting close to reaching a solution to the problem, but I could be wrong. I didn't get a report on the meeting on Tuesday, because I was in cabinet all day yesterday and I was out yesterday afternoon.

Mr. Riddell: I thought he was going to tell us how the thing was going; unless you want to.

Mr. Krauter: You mean respond on that point?

Mr. Chairman: Yes, please do.

[10:00]

Mr. Krauter: We met with the egg board on Tuesday and the pullet people, along with both legal counsels, are having ongoing discussions now. We are expecting to get a report within the next few days. They have met since Tuesday. They have agreed to sit down and do more negotiating and that's where it stands right now.

Hon. W. Newman: I think they are seriously negotiating, in good faith, at this point in time. They know I am getting a regular report on it, keeping an eye on it. I realize what you are saying and your concern. I think we should have a recommendation from the egg board within days.

Mr. G. I. Miller: Just one final comment, Mr. Minister. Do you feel the pullet producers are going to get the protection they desire? Can they hope for that?

Hon. W. Newman: I don't know. For instance, we are trying to get a handle on the total figure for pullet producers who have gone into business since 1970. I am sure something can be worked out with the ones prior to that because they were in business prior to the egg people putting up their own facilities to grow their own pullets.

Mr. G. I. Miller: The pullet growers were there first?

Hon. W. Newman: There were 26, with some 233,000 pullets, in business when the plan came in. Those are ballpark figures but pretty accurate.

Mr. Krauter: Approximately 200,000 pullets is the figure.

Hon. W. Newman: The big problem arises because we simply don't have a firm handle, but we will have it shortly, on the current number of pullets. Don't forget they have only had this meeting recently. We are getting a firm handle on the number of people who have gone into the pullet business. Also don't forget that some of those pullets wound up in the broiler industry too.

Mr. Riddell: As I understand it, you say that you are making a further study on quotas: quota values and means of handling quotas?

Hon. W. Newman: No, what I said was we have had the McGregor-Lane report which was done by the supply management boards themselves. In essence they have recommended that the price of quotas in the supply management field they did the study for should float, it should be wide open. This is what they basically recommended. I have only heard back from one of those supply management boards at this point; I am waiting for a reaction from all of them. I have some grave concerns that if you let quota values completely float you could create some very serious problems for the family farmer. So at this time I am waiting to get reaction from the supply management boards.

Mr. Riddell: Did you have a chance to read the submission that was made by the National Farmers' Union to the Ontario Egg

ducers Marketing Board on April 19, 1979? You would think they would deal specifically with the egg situation but they did not. They dealt with quotas and quota values in general and made such a comment as: "Since quotas and quota values, there has been a steady decline in the number of producers of the various commodities — broilers, eggs, tobacco, turkeys and milk—over a 10- to 12-year period. During the same period there have been fantastic escalations in the price of quota. Broiler quota increased from 25 cents in 1960 to \$5 in 1975, or about 975 per cent. Egg quota price has not been recorded. Tobacco quota has increased from \$800-1,600 per acre in 1974 to \$2,800-\$3,000 only four years later in 1978. Turkey producers declined to 177 in 1978 from 322 in 1969, with an escalation in quota prices in the past eight years of nearly 2,000 per cent, from one and one half cents in 1970 to 30 cents in"—I could go on. They have some very useful information here. I hope you will take the time to read it.

I attended the MLA seminar where their theme was quotas—quota values, quota transfers, things of this nature. I think we have to become pretty concerned about where we're going with marketing boards and quotas.

Hon. W. Newman: Could I be excused for one second?

Mr. Riddell: The thing that concerns me is a discussion I had on pretty good authority with a reputable farm organization. I was surprised to hear the comment that we are set around the corner from being back to a free market system in the farming enterprise and that we're not very far down the road before marketing boards will be a thing of the past. I was surprised to hear this after reading a lot of information and finding out what has gone on in the past.

I know marketing boards were set up to strengthen the family farm unit, but when you take a look at the decline in the number of producers in practically all commodities and the fact that the young people are saying they can't get into the milk business or the broiler business or the egg producing business, and when you hear the big hue and cry that is being put up by consumers and see the articles that are appearing in the daily papers on topics such as production quotas, the farmer's licence to steal; then I become a little concerned. I've always been a proponent of marketing boards, but I had a comment from a very authoritative person telling me that we're not very far away from being back to a free market system. I thought I would like to get the benefit of

your thoughts on where you think we're going with marketing boards, production quotas, national supply management systems and the rest of it.

Hon. W. Newman: May I just point out, to give you a very quick example, that I support marketing boards all the way.

Don't get me wrong. We talked about the price of eggs last year when they came down. The cost of living went up and eggs came down three cents a dozen, on the average, over the period of a year, if I remember correctly. Where do you see that story? On the back corner of the back page of one of the Toronto papers. What about the price of turkey at Christmas time? The margin that was taken by the board because of the formula price was up very little. Marketing boards are the farmers' only way of doing some really meaningful negotiations. I know you're waiting for me to say another word.

Let me say that I don't see anything wrong with marketing boards. I say marketing boards are doing a good job. I am saying that national marketing boards are going to have to look at some of their policies, that's what I say. I talked about milk tonight as a very good example. Milk, unfortunately, has got a lot of attention. I think the problem could be resolved if people would sit down in good faith and resolve that particular problem.

I don't see marketing boards disappearing, to my knowledge. I don't know where your good reliable source was.

Mr. Riddell: The reason I don't mention his name is that he asked me not to.

Hon. W. Newman: I thought you might have been talking about the federal minister. I would be very disappointed in that case, because I think he supports boards very strongly too.

Mr. MacDonald: He is even trying to get one for the beef producers.

Hon. W. Newman: Can I just finish with the National Farmers' Union? I've written the union offering to meet with them. I always do meet with them. Once a year they meet with the people in the resources policy field. I meet with them when they want to meet with me. I also meet with the OFA. The National Farmers' Union has met with the egg board and expressed its views to the egg board. I have approved two new boards, I believe, in the last six months, potatoes and rutabagas, or turnips as I like to call them.

Mr. McGuigan: Up around Exeter they say "rutabaga."

Hon. W. Newman: It all depends on where you come from, but call it "rutabaga." I've approved two new boards myself.

Mr. Riddell: Clare Rennie says they're 90 per cent water, but damned good water.

Hon. W. Newman: They're one of my favourites.

Mr. Riddell: I think it was Clare Rennie, it might have been one of my other professors who made that comment.

Hon. W. Newman: Anyway, I just want to point out to you that not only myself but the government supports and approves of marketing boards.

Mr. Eaton: I just wanted to direct a question to the minister in relation to what the member for Huron-Middlesex (Mr. Riddell) was saying about the reduction in the number of producers of commodities under control and under quotas. If we look at the number of hog producers over the same period of time, the number of hog producers has gone down. If we look at the number of cow-calf operators in the province, the number has probably gone down in relationship. You can look at a number of commodities like that. It isn't just those under the quota system that have gone down. There are fewer apple producers than there were five or six or seven years ago even. This has been a result of family farms, enlargement of family farms and more production by fewer people. It's a matter of the technology that has been developed because of the research that's been going on, both on commodities under quota and commodities outside of quota. It's not something that's a phenomenon just for quota-controlled products.

Hon. W. Newman: I agree and I think by and large, the boards have stabilized the number of producers. There are exceptions to the rule, of course, but they stabilized the number of producers in many instances. Actually, little data was prepared before many of the supply management programs came in, but there is no doubt the number of producers has gone down, however the production per cow, and the production per producer, by and large, has gone up.

Mr. MacDonald: Mr. Chairman, Bob Eaton has made a good point, namely the drop in the number of producers in each one of these commodities is not necessarily related to the existence of quotas. There are an awful lot of factors in the economics of farming today which have resulted in a drop in the number of producers in virtually every commodity you want to mention.

However, that doesn't remove the problem of quotas, which is one of great and growing concern. There is something that rather intrigues me. Am I not correct that when the Hennessey report was made back in the middle of the 1960s their proposal was with regard to the quotas. They felt the value on them should be removed totally and the handling of quotas should not be a negotiable item among the farmers. They felt at any time a quota was surrendered it should go back to the board and the board would distribute it.

That was never accepted. I'm a wee bit suspicious, if you're worried about supply management boards, that you'll have a study done by the supply management people. That's a bit incestuous.

Hon. W. Newman: Not quite. These fellows who did it are very capable.

Mr. MacDonald: I'm not saying they're not capable, Mr. Minister. All I am saying is they are all in the same club.

Hon. W. Newman: Quite the contrary. They're classmates of mine and I know they're not.

Mr. MacDonald: You like to follow up the sequence of ideas magnificently. Every body can't operate in the same disjointed way as yourself, Mr. Minister.

The points I wanted to get back to are the two points made in the National Farmers' Union brief which struck me as having a bit of logic. That's the reason I recall the Hennessey report. Their proposal is that if you want to get at the problems of quotas and their capital value being a formidable roadblock to any new farmer trying to get in, particularly young farmer getting in, surely there are two answers. One is that you have a limit on the size of the quota so you have more available to distribute to more family farms. So one answer is a limit so that the guy who just happens to have capital can't go out and continue to buy out in the free market until he has a real stranglehold on a great chunk of quota [10:15]

Secondly, once again let me just read on paragraph: "We are strongly of the opinion that quotas should not be negotiable among farmers. Marketing boards should be the custodian-trustee of all quotas when a farmer is giving up production on a particular commodity. The respective marketing board should reallocate surrendered quotas: First to qualified persons wishing to become established; and second, to producers in the lower production capacity scale who may wish to expand."

To me, those two points of a limited size of quota are important: That one does not let giants grow in the industry, and that more of that quota is available for more family farms; and secondly, that the handling of quotas shouldn't be out in the free market, negotiable from farmer to farmer, if it is surrendered by a farmer for whatever reason it goes back to the board and the board has direction.

I know that creates problems as to how it is distributed, but I am almost coming to the belief that the problems faced in trying to distribute equitably—one can lay down guidelines and abide by those guidelines in the distribution—that those problems are going to be smaller than the kind of problems we are all worrying about now, namely of a capital value on quotas which results in making it virtually impossible for a young farmer to get into the business.

Hon. W. Newman: May I make a couple of comments on what has been said? I think there is basically a limit on eggs at this point in time, on the number of hens they can have; and those in the lower bracket get first call on the number of hens. I believe I am not betraying any trust when I say the Ontario Milk Marketing Board is looking at the whole quota policy transfer program at present. We've had some basic discussions with them and are looking at it very carefully. We will be discussing it at some length with them, of course, when they come up with a final thing.

Mr. MacDonald mentioned the Hennessy report. He had an opinion, and of course McGregor and Lane had a different opinion. We are waiting to hear back from these boards. We have really only heard from one board.

Mr. MacDonald: Mr. Minister, the McGregor-Lane report is one that you find a little difficult to accept. Maybe you could find Hennessy acceptable.

Hon. W. Newman: I am not sure which one I would find acceptable at present. I certainly am very concerned, as I said—

Mr. MacDonald: I think the farm union is headed in the right direction with limits on the size of quota and take off the capital value in total. That creates a problem in terms of in effect stealing quota from people who have now bought it and paid good money for them, but you may be in a better position for the board to pay them something for that quota. From that point forward all quotas come back into the board, which is the custodian, has the distribution and can distribute them with fixed limits so that one

has the possibility of more family farms instead of fewer.

Hon. W. Newman: Of course each board has its own policies which they set; and they are a producer-elected board, don't forget that. That is a lot better than taxi licensing in Toronto, where one pays \$25,000 to get a taxi licence. You talk about quotas and controls and so on. One would think it was only in agriculture that this sort of situation occurs; it occurs in many other areas as well. At least we have producer-elected boards that have to approve of every transfer that is made as far as any product is concerned that is under their control.

Mr. MacDonald: But Jack Riddell has expressed his worry to you about the producer board being a closed club that doesn't permit others; it is a closed shop.

Hon. W. Newman: May I say one other thing? The Ontario Federation of Agriculture, which I have a lot of respect for, has not officially commented to me on the McGregor-Lane report. I have a lot of respect for the Ontario Federation of Agriculture and I would like to hear their comments on the McGregor-Lane report. It is going to be a controversial thing to deal with, no doubt about it. But I certainly have a lot of respect for the federation, and other farm groups too. I met with the National Farmers' Union and the Christian Farmers' Federation.

Mr. McGuigan: I just want to make some general comments in regard to our position about marketing boards; first to give some personal positions. I am quite sure no one in the Legislature has fought for and worked to establish as many marketing boards as I have. Your deputy minister, when he was the representative in Kent county, would be able to back that up. As a matter of fact, it was by carrying petitions and going from farm to farm that I learned how to campaign.

Mr. Eaton: It's a tough task in Kent county too.

Mr. McGuigan: It sure was. That plebiscite that was held there in 1969 I think only passed by 16 per cent in favour. It's a real free enterprise county.

My credentials, as far as farm marketing boards are concerned, are as good as anyone's in this province. It is for those reasons that we are concerned. We see this whole system being assailed, and some of it I am sorry to say is because of some lack of thought and greed on the part of people on marketing boards who perhaps are younger than people of my vintage. They don't remember how tough it was back in those glorious free market days. They think mar-

keting boards are their absolute right. It is a privilege to have a marketing board, and that privilege can be lost by unthinking people.

I have to say that these egg people, I believe, in their view towards the pullet people, are certainly being very unthinking. By trying to discredit the marketing board system they are placing it in danger. If you look back to how they got started, you will remember there were rumours going around for three or four years that we would bring in marketing boards so they were all building extra facilities to try to get quota. It was their foolishness that they built those extra facilities. They tried to cost those extra facilities into growing eggs, and I know the formula doesn't allow it. Those fellows are doing everything they can, including raising their own pullets, to cover up their own foolishness.

I don't think we farmers should allow them to discredit our system because of their foolishness. That's behind our reasoning. I think you have to say it is rather courageous of farm politicians such as Jack Riddell and myself to raise any questions about marketing boards, but we're raising those questions because we are darned concerned. We think that while you as minister, would be accused of being a dictator if you were too heavy-handed, there is also the possibility of being too light-handed.

I could give you a personal experience. I can't remember the year, but back in the 1950s when I was a member of the Fresh Fruit Growers Marketing Board we had a vote that was going to add cherries. I think we had peaches, pears and plums and we wanted to add cherries. There was a group in Niagara called the freedom fighters who objected to some of the ways the marketing board was carrying on.

Anyway, we had a vote to add cherries and we lost it. Ev Biggs came to us—the deputy minister at the time—and said, "All you fellows have to resign." We were rather upset about that and asked him why. He said, "You don't know whether you lost on the question of whether to add cherries to the plan or whether you lost on the question of how you were running the thing." I guess after a night's sleep, we said, "You're right." So the nine of us resigned. And he was right, because only three got back. I was fortunate enough to be one of the three. It was a pretty heavy-handed attitude that he took, but the guy was right. The marketing board elected new people and went on to become very successful, one of the most successful marketing boards we have today.

Our point is that this system has got to be jealously guarded. We are getting down to a very small number of people as a percentage of the society. We have set up a system that could easily be turned into a public utility now that all the mechanism is in place—the quotas, the production system. You know there are people who would like to turn it into a public utility. We're the people who intend to be on guard and see that it doesn't happen. That's our philosophy.

The turkey people are another example, if you want one, with their business about the 25 turkeys. How could they be so dumb?

Hon. W. Newman: Could I make a couple of comments? I would rather have my discussions about very difficult situations with the boards. I have had many boards in and discussed matters with them in a very firm sort of manner. I think producers have to discuss problems with the boards if they have any. I have met with many of them and have had some very frank discussions; as you know I removed from the egg board about four or five members because they were not abiding by their own rules.

Mr. Riddell: They all got back on again, didn't they?

Hon. W. Newman: I don't know. They tell me not all. I did it because I thought it was right. I don't like to do that sort of thing, because it reflects not only on that board but reflections can spin off on other boards.

On the turkey situation that you just mentioned, I won't tell you about the discussions I had with the board members on the phone and with the secretary-manager of the board, but when that sort of thing happens it not only hurts the turkey board it hurts all the boards and this is the concern I have. What I am trying to say is that I try to resolve these things; and there are some pretty bitter battles, let me put it that way. I don't think it is a good thing to have bitter battles between boards and the Ministry of Agriculture and Food when we are, as farmers, few in numbers. What we should do is fight our battles on a united front. I have had some boards into my office and we have had some pretty rough discussions, as I am sure you have heard. They've walked out of there pretty annoyed at me.

You say one can be too soft. I think a producer-elected board has a right to run its own show. If it gets out of hand the Ontario Farm Products Marketing Board often steps in to resolve it; certainly they did in this tricky situation; although I did make some public statements about what

I felt before it was even resolved and I was severely criticized for that. So by and large, if there are problems on those boards—we have what, 25 or 27 boards now?

Mr. Krauter: Twenty-five.

Hon. W. Newman: Twenty-five with the two new ones. So there are problems on those boards and things do come up, either with boards or some of the associations.

We have had some very heated discussions, have tried to resolve our differences and in most cases have been able to do just that. I think, maybe, what you are saying is that you think I am too soft. I'd like you to sit in on some of those meetings sometimes, but I don't think it is the kind of thing that we want to air in the news media. I think it is the kind of thing that we, as agricultural people, should try and sort out and come out with a united front.

Mr. Eaton: The comments we are getting on quotas certainly are not new. Ever since we started into marketing boards with quotas we have had these sort of problems as to how the quotas will be transferred, how new people will get into it, and so on. I think it is something you have to take an ongoing look at. Not every commodity is the same as far as the transfer of quotas goes either. It's easy to say they should be turned back to the board, but you get the problem of the facilities that are associated with them. You could buy a farm with facilities and then not get a quota on it. There are all kinds of complications like that.

I know with the egg one, when we were getting into the plan, Bill Doyle and I spent many agonizing hours over how to allow some transfer. Probably the small producer is getting the first chance because of some of the work we did with the board at that time. It's something on which the ministry and the boards have to try to work together. You can't just come out and say: "This is the way the transfer will be. As far as the government is concerned, this is the way quota values will operate." It won't fit every particular situation. What the boards come up with themselves won't fit every situation because certainly they're going to have some self-interest.

It doesn't just apply to agriculture. We talk about closed shops and unions. We look right now at wanting to set up new apprenticeship programs but not being able to find places for those apprentices to work because certain unions won't allow them or won't make enough places for them. You mentioned the taxi business. Any time you're going to have controls that lead to the fact that you're an hourly return or guaranteed a profit on a product you're to produce, you're going to going to be guaranteed a job or guaranteed have that kind of a problem. There's no simple solution. It's something we have to work at continually, looking at each individual situation and how it's affecting the economy and how it's affecting the producers. I refer to the total economy, not just a particular group but how it affects the overall picture.

Hon. W. Newman: The deputy minister in Ottawa is head of a committee studying overall quota values with representatives from all the provinces involved. Mr. Gaetan Lussier is chairman of that committee.

Mr. Lantz: Every province is represented on it.

Hon. W. Newman: It's not only a problem that Ontario has but one that all the provinces have. We don't have it as bad as some of the others and some of the others don't have it as bad as we do. I realize that the whole quota situation does not have an easy, simple solution.

Mr. Riddell: I wonder if the minister could give us any assurance that if Clark forms the next government we might expect to get more quota in Ontario?

Hon. W. Newman: I would not like to speak for Mr. Clark, but I do know that I have had a very sympathetic ear from his agricultural critic in Ottawa; I think he understands our problem a lot better than the cabinet does. Mr. Whelan understands it, but the cabinet in Ottawa at the present time doesn't understand it.

Mr. Riddell: They're a lot smarter than we have here.

The committee adjourned at 10:33 p.m.

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No. R-9

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food

Third Session, 31st Parliament

Tuesday, May 15, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, MAY 15, 1979

The committee met at 8:07 p.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD

(continued)

Mr. Chairman: I see a quorum. I call the meeting to order.

Mr. McGuigan: Our agricultural critic is going to speak, Mr. Chairman.

Mr. Riddell: Thank you, Mr. McGuigan. Mr. Chairman, before we start with vote 1901, if I may beg your indulgence, we have had some discussion about the plight of the pullet growers. As I indicated in my comments, I thought it was a rather urgent situation the pullet growers find themselves in. A decision has to be made right away, before it is too late.

It is my understanding that the pullet growers met with the Farm Products Marketing Board and the Egg Producers' Marketing Board today. As a matter of fact we have a number of pullet growers in attendance this evening at our committee meeting. I would like the minister to bring us up to date on, or indicate the results of the meeting the pullet growers and the Egg Producers' Marketing Board had this afternoon with the Farm Products Marketing Board. Is the minister or the Farm Products Marketing Board ready to move at this particular time, before it is too late?

I firmly believe, Mr. Minister, that a decision has to be made regarding our pullet growers in Ontario, or they are going to go the way of the sugar beet industry and we all know what happened to it in Ontario. I would hate to think the same thing would happen to the pullet growers. Could we spend a little bit of time in getting an update about the present situation? Has the Farm Products Marketing Board come to any decisions as to what might be done to keep the pullet grower business in Ontario thriving?

Hon. W. Newman: Mr. Chairman, with your indulgence, I will be glad to answer the question. I am well aware of the fact that the egg marketing board and the pullet people met this afternoon and that Mr. Bob MacKay and Mr. John Krauter were meeting with you today. There were a lot of discus-

sions and I am fully aware of what the pullet growers are asking for and what the egg marketing board is asking for.

I guess it would be fair to say that no conclusions were reached today although there was a lot of discussion. My staff, whom I congratulate, have worked very hard to try and sort this matter out. I am aware of the pullet growers' problems; I am aware of what has been happening. I am also aware many egg producers are also growing pullets.

I am also aware that, by and large, at this point in time, the pens are pretty well full because of some increase in the production of eggs—up to 66 per cent. Many egg producers are saying they want to grow their own pullets. What happens to the pullet growers who are already producing pullets?

I would just like to say this. I have talked to my staff for a short period of time. I have asked Mr. John Krauter and Mr. Bob MacKay to set up a meeting within the next week. I can't tell you my schedule but I intend to be there.

In all fairness to the pullet growers and egg marketing board members who may or may not be here, I intend to lay out some ground rules to try and resolve this problem. I appreciate the pullet growers' situation and I appreciate the egg producers' situation as well. As you well know, Mr. Riddell, it is not as simple as we would like to think it is.

Hopefully this matter can be resolved there. If it cannot, I will take appropriate action myself, through the Farm Products Marketing Board, to resolve it. I am a great believer in the elective process—the egg marketing board is an elected board. I am well aware of Judge Ross's report in which he anticipated the situation we are in today. The situation has not got out of hand yet, but I am aware that the pullet growers are concerned as to what can happen.

I have made it very clear, as Bob McKay has reminded me, that I want as full a representation of the egg marketing board at that meeting as possible. I want the pullet producers there as well. I will attend that meeting for a few minutes. I will lay down what I feel are some ground rules that should be carried out. Then I'm going to say to the pullet board and to the egg board: "These are the ground rules as I see them."

[8:15]

You are asking me to go into detail tonight. I don't think it's fair for me to go into detail tonight and to say exactly what I'm going to say. Next week after this meeting is set up—and if it can't be next week, it will be Monday or Tuesday of the following week. I do have estimates and I'll be here. I want to meet them, to lay down some ground rules and give them a chance to resolve it. If they do not resolve it, then I'm prepared to take the appropriate action to resolve this particular matter because I realize and appreciate both sides of the story. I also appreciate the fact that the pullet producers have some rights and Judge Ross has recognized that in his report.

I say to you, Mr. Riddell, that there will be a meeting next week. I don't have my schedule because I didn't meet with my staff until after six. I had to go down to the Grain and Feed Dealers Association meeting and I just got back here. I will actually be involved in that meeting myself. I will make some opening comments about what I feel should happen. If it cannot be resolved, then I will take the appropriate action to resolve it.

Mr. Riddell: I'm pleased to hear you say that you're somehow going to convey the message to the egg board that you're serious. I have to question the seriousness of the egg board when I learn—and I trust that I've been given the right understanding—that two members of the egg board appeared at that meeting today and, when the chairman of the egg board was asked for his comments, he said, "I have no comment to make." I have to question the seriousness of the egg board in this whole situation. I hope you have a good talk with the vice-chairman of the Farm Products Marketing Board and also review the Judge Ross report before you go into that meeting next week. I trust you will indicate to the egg board that there is going to be a solution to this problem and that we're not going to prolong it any longer.

You know and I know that there is a tremendous expansion program under way right now on the part of the egg producers to get into the pullet business. If we keep talking and talking and reconvening and having meetings, then it's going to be too damn late. The pullet growers are going to be out of business, and a year from now we're going to sit around this table and raise proper Cain because we let another industry go by the wayside similar to the one I've already mentioned.

I certainly would have liked to have been a member of the provincial Legislature at

the time that that industry was allowed to go because I would have had something to say about it. As long as I am a member of the Legislature, I'm not going to see the pullet growers go down the drain. I'm glad to hear you say you are serious, that you are going to indicate to the egg board you're serious, and that if they're not prepared to co-operate and come to some kind of solution, then you're going to do it for them or the Farm Products Marketing Board is going to do it.

I would hope before the end of our estimates you'll be able to come in with a report saying that you've made a decision and that the pullet growers are going to be assured they still have a business which they can operate.

Hon. W. Newman: Mr. Chairman, if I may just make a couple of more comments, as you well know from discussions and meetings that have been going on in the last couple of days, it's not a simple matter I made that very clear. There are other problems involved, which might involve the federal government, as far as imports are concerned. I'm sure this is a concern to the pullet growers of this province. Something will have to be done in that area because of the competitive basis.

I have said exactly the way I feel about it. I say this in good faith to you also, a Liberal critic, as I paid tribute to you last Friday, believe it or not, at a graduation exercise.

Mr. Riddell: I highly respect you, but let me tell you that I have attended that graduation exercise for seven years since I was elected. That was the first time I was ever given any kind of a recognition from the platform. I thought very highly of you for that kind of recognition. I think you place your entire ministry in high esteem with the remarks that you made.

Whether or not it's government policy not to have civil servants recognize a member of the opposition party—

Mr. Wildman: That's a very good point.

Mr. Riddell: —at a function such as that I have no idea. But, I'm going to tell you I did your ministry far more good to give you that recognition than it has in the past. I don't know what kind of policy your minister has, but I know some of your ministry officials speaking as guest speakers, more or less on your behalf, do not recognize me on such occasions and talking to the people afterwards, they would remark, "It's a damn shame you can't be given some kind of recognition by those civil servants who are there speaking

on your behalf." I think this is a policy that should be changed. But as far as you're concerned, I have a great deal of respect for what you did on Friday afternoon at the graduation exercises.

Mr. MacDonald: Mr. Chairman, if it's any consolation to Jack Riddell, in 24 years I've yet to have the occasion of sharing a platform with a government minister in my riding.

Hon. W. Newman: Yes, sure, but I don't buy asphalt.

Mr. MacDonald: I said any government minister.

Mr. Wildman: Do you spread anything on asphalt?

Hon. W. Newman: Well, may I go on to say the pullet producers are very concerned and they're here tonight. I would also like to ask you, and this is the way I operate and I get in trouble for doing it sometimes, Jack, or any one of you in the committee here, if you have any suggestions or proposals that you'd like to get to me before my meeting next week, I would welcome them.

Mr. Riddell: My suggestion is that we should be contemplating a freeze on further expansion into the pullet business until such time as some kind of a policy is worked out. I know full well, and I wouldn't be a bit surprised, if the egg board haven't got the message out to their producers that if they then anticipate getting into the pullet business they should do it now, because the minister or the Farm Products Marketing Board are going to come in with some kind of a policy.

When I hear about one company, and I won't mention any names, having placed orders for equipment for seven large-scale pullet operations, I begin to think I can understand the chairman of the Egg Producers Marketing Board saying he has no comment to make. They would dearly like to see this thing go on and on and on until such time that they've got the pullet growers right out of business.

My suggestion is to put a freeze on it now and then take a look at the conversion privileges that they've been talking about at these meetings. But let's not say we're going to meet this week and then bring them back again next week and then again next week and, in the meantime, we watch all of these buildings and what-not going up in the country where the egg producers are expanding in order to put in pullets.

Hon. W. Newman: Really, to put in a freeze as you're suggesting—

Mr. Riddell: Is putting in a quota.

Hon. W. Newman: —is putting in a quota system, that's right. A quota system.

Mr. Riddell: I don't think you'll get any argument from the pullet growers on it.

Hon. W. Newman: I may not, but I also have to go one step further in support of the pullet growers. There are no controls, there are no border controls on pullet imports. This is a concern of mine. Sure a freeze is fine, but—

Mr. McGuigan: It could be temporary.

Hon. W. Newman: Of course, a temporary freeze is a quota sort of a structure. Not only that, it would not curtail in any way shape or form pullets coming in from across the border and we would need the co-operation of the government of Canada, whoever that government may be next week. It's very difficult to discuss estimates when you've got a federal election on your hands and try not to be too biased on behalf of certain people.

May I assure you and the pullet growers that we will be setting up a meeting which I will attend. I already know what I am going to say, but in fairness to the two boards involved—I shouldn't say the egg marketing board which has some obligations under the Ross report—I don't think it would be fair to disclose it tonight. Certainly I will meet with them and then I will leave them with the Farm Products Marketing Board, which I think is a very capable group.

I think the message is getting out very quickly, and I realize the essence of the time. A temporary freeze, of course, is a quota system, and a quota system can have some other problems involved as well, as you're well aware. It's not a simple problem, but we want to resolve the problem satisfactorily and I think we can.

Being a farmer myself I say the old theory is that a little common sense can go a long way, and even though I'm a farmer I'm quite prepared to come down a little tough sometimes on certain sides because I think things have to be sorted out, and I think they will be sorted out. I'm prepared to work towards that.

Mr. McGuigan: Mr. Minister, if I can just make one comment, I appreciate everything you've said tonight, but one of the bigger issues riding on this decision is the credibility of our whole marketing board system, as I indicated in some of my comments a couple of nights ago. This is bigger than just eggs and poultry; it's a matter of keeping the respect and integrity of our marketing board system and I'm sure you appreciate that.

Hon. W. Newman: I appreciate that. I also appreciate that—and I hesitate to say this when the press is probably here tonight; I don't know whether they are or not—we also have imports coming in from other areas.

Mr. Gaunt: No, they're not here.

Mr. Riddell: That's just about the interest they take in the agricultural field.

Hon. W. Newman: Yes, but some of our own producers could be hurt too, being frozen out of other markets and other provinces, as the chairman has just reminded me. That doesn't mean that certain other provinces couldn't create problems for our pullet growers, too. I don't say that unkindly, but I say it in all reality. I think we have to face reality.

What I am merely saying is that it's not a simple problem to solve, I want to solve it, and I'm sure the pullet growers want to grow their products, and I'm sure that the egg growers want to buy their pullets. It's a matter of devising a method of making it work properly. I will be at that meeting next week. I hope the pullet growers will be there; I'm sure they will; and I'm hoping for a very full turnout of the egg board.

I understand there were only two members of the egg board there the other day. Sometimes, you know, it's great to have a producer-elected board and let them run their own show, which I think is a very good idea. I think that they know best how to run their own show, but there is a point in time where a minister, unfortunately or fortunately, whichever way you look at it, has to come in between and take the crossfire. He's darned if he does and darned if he doesn't, whichever way it is.

As we discussed on the subject of milk quotas here the other night, I just think that I have an obligation to act in this area, as I feel the federal government has an obligation to act as far as milk is concerned. I think you must accept the responsibilities and let the chips fall where they may, and take your lumps from the opposition parties, or whoever it may be. That's part of political life, except I'm really not a good politician, I'm really a farmer at heart.

Mr. Riddell: I wouldn't have known that from the statement you made in the House this afternoon.

Hon. W. Newman: I was just plain mad when I made that statement this afternoon.

Mr. Ruston: Who would have known?

Hon. W. Newman: When I see our farmers getting hurt, and I see people playing politics

to hurt them, then I get mad. Anyway we won't go into that tonight.

Mr. Foulds: Then you'll play politics right back.

Hon. W. Newman: Every word I said this afternoon was the truth; read that statement.

Mr. Foulds: Truth is the best weapon of the politician.

Mr. Wildman: Politicians sometimes speak the truth.

Hon. W. Newman: May I just say one word, Mr. Chairman? I would like to thank the pullet producers and any of the egg board who may be here tonight, for this discussion, and I appreciate you bringing it up because I think it's important. I really do, that you know exactly how I feel and what we're trying to do. I'm sure you wonder sometimes, well, that minister sits up on the—I'm not up on the top floor any more so I'm not in that ivory tower, so to speak. We want people to know exactly how we feel and we really are concerned and that's what democracy is all about.

Mr. McGuigan: I would like to thank the chairman and the minister for taking time out of the regular agenda and dealing with this. Thanks very much.

Mr. J. Johnson: After next Tuesday things should improve, Bill.

Mr. Watson: Mr. Chairman, are we on the first vote or are we just on general comments?

[8:30]

Mr. Chairman: After you're finished we'll go item by item.

Mr. MacDonald: Mr. Chairman, on a point of order, am I correct that on the first vote now we're going to deal with any policy issue that doesn't logically fall within one of the subsequent estimates? In other words, if it's dealing with marketing there's a marketing estimate later so we don't deal with it or the first vote.

Mr. Chairman: These people asked whether in fairness to the delegation—

Mr. MacDonald: I'm not objecting to that I'm talking about—

Mr. Chairman: We got away from it as an act of courtesy. Mr. Watson wanted to go on because as a government member he hadn't had the opportunity; he wanted to say his piece. After him I hope we can get on item-by-item. Everybody will have registered their views.

Mr. MacDonald: Having raised the point let me get your ruling on it. Am I correct that when we get to item 1 of vote 1901

we can deal with any policy issue that doesn't logically fall within one of the subsequent estimates?

Mr. Chairman: No, I would say anything pertaining to 1901.

Mr. MacDonald: Yes, but main office is normally the traditional place where you raise policy issues.

Mr. Chairman: That's right.

Mr. MacDonald: My question, and I repeat it for the third time: Can we raise any policy issue that doesn't fall within one of the subsequent estimates?

Mr. Chairman: I don't want to curtail anything you feel is of some significance and importance. I would say yes; I would give you that liberty.

Hon. W. Newman: Mr. Chairman, may I say one thing? It depends how far you want to go.

Mr. Chairman: We only have so many hours.

Hon. W. Newman: I realize that, but I think in fairness to some of our staff who work fairly long hours most of the time that if you have specific issues—if our staffs here they will be able to help. If not I'll try to do the best I can and I'll follow through with the appropriate quota at a later date.

Mr. Watson: Mr. Chairman, there's a few things I would like to say in general about the Ministry of Agriculture and Food.

I find myself in a bit of a unique position in this committee, having worked for the Ministry of Agriculture and Food for 20 years and now being a member of the Legislature. The history of the Ministry of Agriculture and Food connection with myself and my family goes back a long way. We've had involvement through things such as ploughing matches and 4-H clubs and things of that nature.

Jack Riddell mentioned his father and the contribution he had made as the agricultural representative in Middlesex county. I'd like to pay tribute to a few people that are in the room here tonight. He mentioned that Ken Lantz started in Middlesex county, but Ken Lantz also was in Kent county, which was when I first knew him.

I'd like to put on the record a personal thing I feel fairly strongly about—some of you may know about it. Ken Lantz was in Kent county and he had an assistant ag rep here for some three years. The assistant quit and came home to run the family farm so that a young fellow could go to Guelph. I know my brother Norman isn't in the room

tonight but I would just like to pay tribute to him. Because of his action I got to go to university and that's a whole history in itself. But I do appreciate that from his standpoint.

Hon. W. Newman: His brother does a very fine job too.

Mr. Watson: There are a lot of other people who I don't think should lose out in my list. When I got to university I met a guy named Clare Rennie and we went all the way to Waterloo, Iowa, and back on a judging team, plus a few other things.

Mr. Gaunt: What were the few other things?

Mr. Watson: I think some other people went on those kinds of things too.

Hon. W. Newman: Murray, you're a pro, you should know.

Mr. Foulds: He's an old smoothie.

Mr. Watson: I think all the other members who are here have little things they remember when they got to be members of the Legislature. One of the delightful things I got when I was elected was a letter from one E. I. McLoughry, who I think is about 85 now or something like that. That was one of the keepsakes I have and it was a delight to get it.

I don't want to belittle our present minister because we are on his estimates, but I do want to pay tribute to his predecessor. I give credit to Bill Stewart for twisting my arm to run for a seat in the Legislature and I want to say a word of thanks to him.

Interjections.

Mr. Watson: My experience in the extension branch I think pretty well paralleled that of the present director, Art Bennett, and I do appreciate what he did for me.

I find it's a small world because I find fellows like John Krauter sitting here; I helped John Krauter put some heifers back in a field in Northumberland county the first week he arrived in Canada. I think he remembers that. I think I also argued with the manager of the UCO in Campbellford a couple of times too and he happens to be on the crop insurance commission now. So there are a lot of people I have run into in different positions.

Regarding the estimates, I was very proud to be a member of the Ministry of Agriculture and Food. I think sometimes when government people quit to run for politics, they are a bit disgruntled with the authority with which they have been working. I wasn't that way and I think the minister is fortunate to have the staff and the esprit de corps that exist in the Ministry of

Agriculture and Food. I suspect—and I don't think this has changed since I came here as a member of the Legislature—that the Ministry of Agriculture and Food is the envy of every other ministry in terms of the grassroots support they have from the people with whom they are dealing. The support the ministry has through the various staff offices and all the different branches is tremendous compared to some of the other things I have had to deal with. If we got into a fight between farmers and ministry, the farmers would certainly back me up as ag rep and tell the minister where to go.

I don't find that same kind of support for—well, currently it's the welfare people in Chatham. They will go with whoever will give them the money and there's not very much loyalty to anybody. I think you are fortunate to have the loyalty of the staff you have in all the branches. I was, as I say, very proud to have been part of it.

Perhaps I could be allowed a couple of minutes to look back. I had the great pleasure of chairing the meeting when the first county milk committee was formed in this province. I think I worried about that meeting as much as any I ever attended.

I like to look back at some of the things that happened when I was a member of the Ontario corn committee and as chairman of that group's publications committee for about nine years. I know hybrid corn changed a lot before that but in that period there has certainly been a tremendous change.

I appreciated the opportunity to work in the areas I did—Dufferin, Waterloo, Northumberland and Kent. I always hated to move when I had to but I did.

I know we are caught in these things, but a few years ago there was a great hullabaloo that everybody was going to reorganize—we were going to be reorganized because some of the other ministries had been reorganized. I don't know who fought it off but I think we are fortunate we didn't reorganize. The proponents of reorganization say the organization we have in this province won't work—you can't have 55 county offices answering to one director of extension. But in my opinion it's like the fellow who says, "It may work in practice but it sure as hell won't work in theory." I think that goes for that kind of a system.

I suggest it works because your ministry, through the head office staff, give certain authorities to these people to act, and others are not looking over their shoulder all the time. A year or two ago they sent some committee around to interview us and they asked, "Who checks to see you get in on

time every morning?" or "Who do you report to?" They just couldn't get over the fact that you don't really report to anybody. You run the office the way it should be run and that's what happens. But it didn't fit their bureaucracy plan.

I'm not speaking of myself but I think all the staff you have in county offices and in head office put in a lot of extra hours. They look at the total job done rather than the hours that are put in.

I don't know how to say this in terms of not being critical, but as I saw the budgeting in the past when Mr. Stewart was minister, he ran the Ministry of Agriculture and Food the way a farmer would run a farm. Therefore when anybody came up with a new-fangled idea that cost a lot of money, I have an idea he resisted it. That way we didn't get a whole bureaucracy of sub-offices in London and a sub-office from there and a sub-office some place else in order to get to the top.

As a result the Ministry of Agriculture and Food didn't have great increases in staff and in expenditures. I feel now that with the government's restraint program the Ministry of Agriculture and Food is suffering a little bit from the fact that even if we didn't have a lot of wasteful programs, it didn't matter, they were cut out anyway.

I feel that maybe there should be money available for some of these things. I don't know whether they call it zero-based budgeting—I hate that word—but I think in comparing it to other ministries the Ministry of Agriculture and Food has been very careful in the past and that moneys weren't spent in useless ways.

Mr. Riddell: One and a half per cent of the provincial budget, Andy. One and a half per cent of the provincial budget.

Mr. Watson: Well he should have more.

Mr. Riddell: Absolutely. They don't recognize the primary industry enough.

Mr. Watson: One of the things we need more money for—they nicknamed me "Cedar Seed Watson" in Kent county and Jim McGuigan may appreciate that, but it was always embarrassing to have a program in the province which paid for taking trees down while we didn't have a program for putting trees up.

Mr. Wildman: We have that problem in the north too.

Mr. Watson: This is one thing we are going to have to face, particularly in these areas where they bring in the bulldozers and push all the fence rows down. We are going to have to come up eventually with some

kind of program to put in systematic windbreaks of some kind.

Mr. Gaunt: You'll support my amendment to the Trees Act, Andy?

Mr. Watson: We can't get the Trees Act passed in Kent county or Essex county, so it doesn't affect us. That's another point, but every time we try to get the Trees Act passed in Kent county, the fellows in the west say; "We won't vote for it because our trees are all gone," and the fellows on the east side of the county say, "You are not going to tell us what to do because you already pushed your trees out." Therefore it just dies.

I don't think that's the answer anyway. It's not a matter of keeping large woodlots in our area. It's a matter of getting systematic windbreaks of some kind.

Mr. Foulds: Andy, you should tell them what they should do.

Mr. Watson: What they should do? They should put in windbreaks.

Mr. Foulds: What you have got to do is what the minister is going to do next week. Knock a few heads together.

Mr. Watson: I do appreciate the co-operation I have received from all the farmers and I always, up until last year, counted Jim McGuigan as one of my farmers. I think we got along reasonably well and I appreciated—

Mr. McGuigan: We do now.

Mr. Watson: I think we do now except when he brings his leader to look at the hoods. We get into a little argument, but other than that, we get along fine.

Mr. G. I. Miller: There's got to be a strong opposition. It keeps everybody on their toes.

Mr. Watson: One of the things that has come about in the last 10 or 15 years within the ministry and which I think you should look at in terms of organization is that I find some of the other ministries delegating where people are to be moved to and I find that the Minister of Agriculture and Food is advertising for all of their jobs. I am told they are supposed to. I am not one who is particularly enamoured of the policy that one should apply to go some place. I think there comes a point where the boss should tell people where they think they fit in best.

I think as that class they call the class of '9 arrives we are going to have a lot of moves in the next few years. Although applications are good, I think sometimes it may say to put into certain places people you think should be there. Maybe you can't get that through the civil service or wherever it is.

[8:45]

I'd like to pay tribute to Barry Fraser, my successor appointed in Kent county. Barry worked with me for nine and a half years and I think I can truthfully say we never had an argument. We worked together extremely well. I am awfully pleased that he was appointed to that position. Governments move slowly, but I understand that as of yesterday, they finally filled the position that was vacated when I left. They put a summer person in, Amber Gibbens, and I do understand that that's no longer a summer assistant's job but there's going to be a full-time assistant ag rep in Kent county. I am pleased with that, because we need the help. It seems we're busy with a little something down there called an International Ploughing Match this year, and I hope all members of this committee and all the members of the Legislature will find time to get down to Kent county. It is in Jim McGuigan's riding; it's the good land on both sides of the line. We do have an excellent site. We have excellent land. We're looking for a big show come September. We want to invite everybody down to the International Ploughing Match.

Mr. Chairman, I appreciate the opportunity to say a few things, because it's a unique feeling to be on one side of the fence and to suddenly change over to the other side. It is because of the co-operation and support I've had from the Ministry of Agriculture and Food, and the pleasures of working for the ministry, and the confidence I have been able to build up in all the areas that really translated into support to allow me to represent the people in this Legislature.

Hon. W. Newman: I was just going to ask him to explain what Tobe-Cobe is.

Mr. Riddell: He explained that in the House. We're not going through that again, are we?

Mr. McGuigan: We could sing you a song about it. I think Andy was probably being facetious in his remark about Stuart Smith coming to Dover township. In case he wasn't, I want to make the point that the Leader of the Opposition can go any place in Ontario that he chooses to go, because his constituency is all of Ontario, as leader of Liberal constituents any place in the province.

As I know this courtesy will be returned when the ploughing match is being held in my riding this year, I will be most happy to welcome the minister or any other member of the Legislature to Kent county. They're quite at liberty to say anything about me that they want to say from the platform, because that's part of the democratic system.

I hope they do not, but I just want to point out to Andy on a friendly basis that it's part of the democratic system.

My leader can go any place in Ontario. In this instance, I went with him into a neighbouring riding to conduct him on a tour. Also, but for the grace of God, the flood would have been on my side of the river, in Tilbury—

Mr. Watson: Jim, the flood was on your side of the river, and that very afternoon I visited your constituents on your side of the river, and you didn't go over to see them. They were all under water.

Mr. McGuigan: That's great. Well, I'm sure, Andy, you're being facetious about this, but in case you're not, I—

Mr. Wildman: Mr. Chairman, on a point or order. Now we've had two government leadoffs and two opposition retorts, could we perhaps move to the first vote and get on with estimates?

Prior to doing that, in terms of ordering our business as the committee, we have other things on our plate besides the estimates. One of them is the drafting of the final report of the hearings that we held into the various environmental referrals we've received from the Minister of the Environment (Mr. Parrott). As I understand it, the committee has not yet scheduled any meetings to complete that draft. It's been a long time since we had those hearings. If possible, I would like to set some kind of timetable where we will have some meetings which will deal with that matter as well as the estimates. Both are very important and I know we have to complete both.

I'd like to move that once the estimates of the Ministry of Agriculture and Food are completed we establish a timetable for the completion of that draft and perhaps meet on Wednesdays to consider that matter.

Hon. W. Newman: Mr. Chairman, may I ask a question? I just don't quite follow. Are you talking about the new program?

Mr. Wildman: No. It has nothing to do with the ministry. This is just committee business.

Mr. Gaunt: Acid rain, Inco, Reed Paper.

Hon. W. Newman: It has nothing to do with the estimates?

Mr. Gaunt: Nothing.

Hon. W. Newman: Maybe you weren't here, but on the first day I talked about our new program on soil erosion, water control and those sorts of things. I thought maybe that was what you were talking about.

Mr. Wildman: No.

Mr. Riddell: As a supplementary, have we come to any decisions about travelling to the research facility?

Hon. W. Newman: We were going to discuss it last Thursday night but we were called on for a vote about 10:20. We didn't come to any conclusion about it. At the time we started there was some disagreement here, so I didn't bring it up. For the new modified capital grants and soil erosion control program, we are prepared to bring down a slide presentation which will require staff bringing in various projectors and showing you the new program and how we see it working. That would be up to the committee.

The other suggestion made at the time was that we take a trip—we could probably do it in a day—to cover Guelph and the research facilities there and at Vineland. Staff would be more than thrilled to do this. But I feel that I was running into considerable opposition and I didn't want the committee to feel I was trying to avoid some of the 20 hours in here, because I'm quite prepared to spend them here. I have made this trip myself, and I think it was a great education for me.

As far as our estimates are concerned, those are the things I suggested. I'm in the hands of the committee as to what they'd like to do.

Mr. Wildman: In response to that, I would suggest that we would deal with these two matters separately. The first deals with the draft report, and I moved a motion on that but I haven't had a seconder yet.

Mr. Gaunt: I would second that.

Mr. Wildman: I moved a motion to set a schedule so that after we have completed the Ministry of Agriculture and Food estimates we meet on Wednesday to consider the completion of the draft of the environmental referrals. I would suggest we deal with the question raised by Mr. Riddell after we've dealt with this matter. I think that Mr. Gaunt may have some comments he might like to make on that.

Mr. Gaunt: I would certainly support the motion Mr. Wildman has put forward. I would even go one step further and say that after the agricultural estimates have finished, perhaps the committee would agree to sit continuously until the report is completed. The report has been hanging fire for too long. I would dearly love to get it off my plate. It's just one more thing with which I have to cope, and I'm sure other members feel the same way. If we could spend perhaps one week of sitting time in the committee to complete the report, get it out of the way, and get it in to the House, I think that would

be time well spent. I would certainly support Mr. Wildman's motion.

Mr. MacDonald: I presume the motion before us now is an item that isn't strictly within the terms of reference of the agricultural estimates.

Mr. Wildman: No, it has nothing to do with it.

Mr. MacDonald: It is the next item on this committee's agenda. Speaking to it, and so that I won't need to repeat it later speaking to the point that Mr. Riddell has raised, I think this committee has enough work to do that it can't afford to go off on these other junkets. I'd dearly love to go to Vineland. I'd dearly love to go to Guelph. I would be interested any time you want to schedule it outside of the agricultural estimates. I would like to see your slide show and what-not on the incentive program, as I suspect as many other members of the Legislature would be glad to, but it doesn't have to be. If there's any time left within this committee, may I suggest it's got to be devoted to the committee's work? I made reference last week. As this committee is now operating, with the estimates that have been assigned to it, it will conclude its estimates on the resources field on December 25.

Hon. W. Newman: Twenty-nine.

Mr. MacDonald: I'm serious. Twenty-fifth. December 25.

Hon. W. Newman: I heard the 29th.

Mr. MacDonald: No, December 25. That's assuming that the House rises on June 22 and comes back on October 9, which I'm reliably informed is what is in the wind. So we can't afford to take time for these junkets, much as we may like. If we go off on the junkets that means at some later point we're going to cut out half of the estimates of some important ministry within this committee's field. However, I've digressed. This particular item is on the agenda of the resources development committee, and if we can finish our estimates earlier and leave the time to get that done, I'm in favour of it.

Mr. Chairman: Members of the committee, I want to assure you I am directed by the clerk every week as to what the program is. The suggestion you make is to go to the House leaders to make this arrangement. It's not within my control because I'm told by the directive from the clerk the procedures to follow. I'm quite at liberty to follow anything he directs; on the other hand, I'm not in a position to say we're going to program this ahead of something else. I do not have that authority.

Mr. Gaunt: Mr. Chairman, I agree with that but I think the committee has a role of self-determination, and that the committee can direct its operation in any appropriate way it sees fit. If the committee as a whole wishes to do as Mr. Wildman has suggested, and with which I agree, then I think it should be done.

Mr. Chairman: Well, I'll put the motion. Is that agreeable?

Mr. J. Johnson: Just a minute, there are two suggestions, one from Mr. Wildman, and one from Mr. Gaunt.

Mr. Wildman: I accept Mr. Gaunt's amendment if he cares to put it.

Mr. Gaunt: Yes, sure.

Mr. J. Johnson: Would you repeat it then, Murray?

Mr. Gaunt: Upon the completion of the Agriculture and Food estimates, the committee confine itself to the completion of the referrals of the annual report of the Ministry of the Environment before we proceed with any other estimates.

Mr. Chairman: And that all House leaders of the different parties be notified of that.

Mr. Foulds: If I could speak to that point, Mr. Chairman, I know that for the orderly running of the House and business the House leaders should be notified as should the clerk, but, in fact, Mr. Gaunt's point is important. After all, the House has referred the environmental matters to us. We, as a committee, have an obligation to finish that matter and it is the committee's responsibility, as has been reiterated in the House several times by the government House leader and by others, to determine the order of its business. The House orders us what to do, but we have the responsibility of determining the order, and I suggest that we proceed in the matter outlined by Mr. Wildman and Mr. Gaunt.

Mr. Chairman: Is the committee in agreement with this?

Motion agreed to.

Mr. Chairman: Mr. MacDonald, are you finished?

Mr. MacDonald: No, I'm back to the first vote, I hope.

Mr. Chairman: All right. You're right.

Mr. MacDonald: Very good. Having listened to Andy Watson, Mr. Chairman, I must say that I regret once again that I don't enjoy the benefits of that exclusive club of graduates from the Ontario Agricultural College. I'm not in a position to have such rich recollections of personal associations

with people at the farm level, but between the minister and I, when he was an aspiring farmboy in that rich agricultural area known as Forest Hill Village, it was part of my constituency, and if he wants his back scratched, I'll do it if he'll scratch my back.

Hon. W. Newman: We had a few apple trees up there when I was there as a kid.

Mr. MacDonald: Let me get to four items on the first vote, the first one very briefly. In which estimate does the new incentive production program fall?

Hon. W. Newman: It will come under the farm productivity incentive program, wherever that is. Which vote is that under? Vote 1902, item 5.

[9:00]

Mr. MacDonald: Vote 1902, item 5.

Hon. W. Newman: Right.

Mr. MacDonald: Vote 1902, item 5, assistance to primary food production. Very good, okay. I have a second point I wanted to raise, Mr. Chairman I attempted to raise this in my leadoff and the minister, in his response, at least as far as I'm concerned, didn't answer the question. I want to raise it again because I suggest to you, we're entitled to have it.

I would like to have a clear idea of the division of the jurisdiction between the Minister of Agriculture and Food and the Minister of Consumer and Commercial Relations on the whole area of food, the food industry. Let me say to the minister in advance, it may be you don't as yet know exactly what the division is going to be. If that's the case, say so, but your argument, when you replied in the first instance, was that you always considered food is what the farmer is producing and therefore, it comes under Agriculture and Food.

On the other hand, I think you will have to acknowledge when Food was added to the ministry as title back in 1963 and the food council was set up, it established an expanded jurisdiction for the Ministry of Agriculture and Food, for the whole food industry, and the monitoring of what went on in the food industry beyond the farm gate. My question is: What remains of that food industry beyond the farm gate that lies within the jurisdiction of this ministry, and what division is there that can be clearly drawn between your responsibility and that of the Minister of Consumer and Commercial Relations?

I cite just one example that emerged last week to show you the thing is not clearly defined: When we raised the question of the regulations under the Foodland Ontario program last week, and what Dominion Stores

were doing in abusing the whole logo of the Foodland and putting it on US produced food, clearly it fell within your jurisdiction. That's beyond the farm gate. I assume that's one area that still rests with this ministry. Is there anything else that rests with this ministry? Can you more clearly define it so we know where to go when we have a problem?

Hon. W. Newman: Mr. Chairman, I'd be glad to try to answer that. The trade practices rest with the Minister of Consumer and Commercial Relations. All else, by and large, remains with Agriculture and Food. I'd like to go on to explain what happened. The other day one of your members presented me with some carrots. We have a Foodland Ontario program. The reason I want to explain this is because it can happen again, and nobody's perfect. Last week, the printers accepted that they made the error in printing the bags. What happened was we were trying to get the Foodland Ontario symbol on Ontario produce. In this case, it was Hardee Farms. These were US carrots which were packaged. There is no doubt about it, it said so on one side of the bag.

If you know anything about the printing business, and I know very little, but I learned a little bit in the last week, you'll know when you run those plastic bags through they use what they call a slug, whatever that is. They use this slug and it marks "US carrots" on one side and the other side had the Foodland symbol. The manufacturers made an error.

Mr. Foulds: Same slug?

Hon. W. Newman: No, no. The manufacturers made an error. They admitted it. Within hours, those carrots were pulled off the Dominion Stores shelves. The carrots held in the packaging plant were put under detention. I'm absolutely convinced in my own mind after investigating thoroughly that it was an error. There is no doubt about it. It was an error that was not done purposely. This is liable to happen again, because certain companies, which are now co-operating with these processors, are putting on the Foodland symbol so the housewife can tell whether she's buying Ontario products or not.

In this particular case, these carrots were packed and they were pulled off the shelf at Dominion and sent back. It cost I don't know how many thousands of dollars for the company to repackage them. I really believe it was sincerely an error, because nobody in his right mind is deliberately going to put "Foodland Ontario" on one side, and "US carrots" on the other side. This could happen again and it concerns me. The Foodland Ontario program is doing very well with its limited budget. We have co-

operation from the marketing boards across this province. They're doing their own advertising. We are helping them finance it. The program is catching on. The consumers want to buy Ontario products. In all honesty, this could happen again. I'd be less than honest to say that it may not happen again. It could happen tomorrow, for all I know, because we cannot and do not have the staff to monitor every company or everybody that's involved.

I don't want to see the Foodland Ontario program hurt, and I'm sure you don't either. No doubt there was an error made, and the manufacturers have accepted the responsibility. It was done, it was corrected, and it cost several thousand dollars to collect the carrots and repackage them in the proper packages, which is fair enough. I was glad that Mel Swart brought it to my attention. But I tell you, it could happen again. By and large the program is catching on, and I'd like to emphasize that because that's a question I was asked the other night, and I have the figures here.

Farm income in Ontario in 1978 was up 17 per cent over 1977. This compares with one per cent in the previous year and seven per cent in the year before that. Nineteen seventy-eight was the first full year of the Ontario Foodland program. I'm not saying we could take the credit for that, or not take the credit for it, but I think it had a bearing on it. We're also convinced that some of the increase was a reflection of the changing consumer attitudes and buying practice regarding Ontario products.

You'd be interested to know that the consumer research study that I referred to last week, after one year of the Foodland program 38 per cent of urban Ontario consumers expressed a desire to support Ontario grown agricultural products. This is 12 per cent more consumers than before the Foodland program began. Almost 40 per cent of Ontario consumers were already aware of the Foodland Ontario program after 12 months, which is pretty good. That survey was conducted throughout Ontario with cities of 25,000 and above, I believe. Ninety-four per cent of the consumers interviewed this year endorsed the concept of the Foodland Ontario program and, even better, nine out of 10 women—I don't want to say women, but I guess women were interviewed—thought the program would succeed in increasing the purchases of Ontario food.

Here are a few examples—and I'm not getting away from your question; I'll come back to it. Christmas 1977, turkeys were up five per cent over 1976. Increase in turkeys

up 15 per cent by the end of summer 1978—the quota for increase. Eggs, a three per cent increase 1978 over 1977. It's the first increase in four years. Pork, a 15 per cent increase in 1978 over 1977. Wine, Ontario wine that is, a 9.6 per cent increase in 1978 over 1977. Greenhouse cucumbers, a 16.2 per cent increase in 1978 over 1977. Onions, the 1978 crop was 1.5 million bags over 1977, but inventory as of April 1, 1979, was only 100,000 bags over inventory of April 1, 1978.

Just look at those figures—1.5 million bags over 1977; now we only have 100,000 bags over the April 1, 1978. It's hard to put in black and white exactly how that has happened, and so I just gave you some examples where increased sales have occurred of Ontario products over the past year. We think it's more of an awareness by the consumers of this province, and we're all consumers, farmers and all of us, of the Foodland Ontario program.

One thing that does concern me very much is it's easy for any member of the Legislature to stand up and say, "Yes, look what I found." They may stand up tomorrow or the next day or a month from now and say, "Look what I found." I think the program is working well. We have the support of the marketing boards, of the various farm organizations, they think it's a good program. All they're saying is we're not spending enough money on it, by and large. I just don't want to see this program hurt. I think it's got great potential.

Coming back to your other question, what else do we look after as far as Agriculture and Food is concerned, we do meat inspection, except for the federal packing houses. We do all kinds of other inspection work; fruit and vegetable inspection work; the food industry; packaging; tomatoes, and other things past the farm gate.

Mr. MacDonald: That's inspection of produce grown here?

Hon. W. Newman: In the source, yes.

Mr. MacDonald: Do you inspect produce that is brought in from imports?

Hon. W. Newman: I'm not sure. Do we? Yes, we do. So we do go well past the farm gate.

Trade practices, of course, are in the Ministry of Consumer and Commercial Relations, but the others we do. We are doing some special research. As I said in my opening remarks, I've allocated about \$5 million over the next four years to look into certain antibiotic use, pesticide use and that sort of program which we think are very important

to consumers and which go past the farm gate.

Mr. MacDonald: We can get to that when we get to research.

Let me come back to this if I might. Let me put the minister's mind at rest. I'm in support of the Foodland program; there is no doubt in the wide world. If we can get our people to buy produce that is grown here rather than importing it, fine. However, is there a set of regulations regarding food lands, or instructions? Do you have inspectors? If so, how many?

Do you depend wholly on the Mel Swarts of the world to come in and indicate to you what are clearly the guidelines for this program which are being violated?

You see, Mr. Minister, you're rather generous. You say a printer made an error. Okay, I'll join you in that generosity. But I wonder whether those bags wouldn't have been continued to be used by Dominion Stores if they hadn't been spotted and drawn to your attention.

The printer may have made an error, but are you trying to suggest to me that Dominion Stores, in packaging and using bags where one side said "US produce" and the other had the logo, wouldn't have recognized that they were wrong from the time that they arrived on their doorstep? Do they not read what they get from the printer?

Should we accept your view that it was a printer's error? Who is regulating this? You can make a mockery of your whole program if it's going to be violated and abused in the fashion in which clearly it was here.

Hon. W. Newman: There is no doubt about it. Occasionally it happens. I don't think it was abused, I think this is a genuine error, I really do. I've been into it very thoroughly myself.

Mr. MacDonald: I'm sorry, if you want to persuade me that Dominion Stores was putting produce—whether it's Ontario produce or imported produce—in a bag that had the Ontario logo on one side and "US produce" on the other side and didn't notice, I'm sorry, I'm just not quite that naive.

Hon. W. Newman: Okay, maybe not, but let me say this. In order to fully realize and keep a constant eye on all of this, we need more money, more staff.

Mr. MacDonald: Do you have any inspectors?

Hon. W. Newman: Oh, yes, sure. How many inspectors do we have?

Mr. Doyle: We have 58 food inspectors.

Hon. W. Newman: We have 58 food and vegetable inspectors.

Mr. MacDonald: And they do the inspections of the food chains?

Hon. W. Newman: It's just under reorganization, but they will soon be doing that. As you know, we just reorganized the marketing division. We will actually have some students working this summer for the Foodland program.

Mr. MacDonald: On a short-term basis?

Hon. W. Newman: Yes, that's right.

Mr. MacDonald: The other inspectors will cover up on this area?

Hon. W. Newman: We hope, as a result of this reorganization, our inspectors will inspect the foods and other things in the store, and will also be able to help us with this. As a matter of fact, we had a major conference about three days ago where we tried to utilize our inspectors, although they're busy, to a much fuller extent in the store to help us in Foodland guidelines for "Good Things Grow in Ontario," the labels you see hanging up in the stores. We try to get them educated in the stores to use these more.

I think we've made good progress. It hasn't been a perfect program because we haven't had the funds to do a perfect program. We are very pleased with the way it has been so far. It's been very successful, but there have been errors—there is no doubt about it. Last year somebody put one on Coca Cola. I'm aware of that. And there will be errors in the future, but when they're drawn to our attention, our inspectors pick them up.

For instance, I heard the other day that there was somebody who bagged a few bags of apples. One of our people picked it up, and they've been rebagged. That doesn't say that in the bagging of those apples 50 bags might not have got out somehow, but they pretty well got them all back in.

[9:15]

Mr. MacDonald: Look, Mr. Minister, I don't want to browbeat this issue or beat it into the ground. May I suggest that you've got to have inspectors on a continuing basis? It's all very well to bring students in to try to get the program going and have them for a short-term. It would seem to me since the jurisdiction of the fruit and vegetable inspectors extends not only to produce grown here but to produce that is imported, it wouldn't be any significant addition to their load to be watching for adherence and respect for the guidelines or regulations or whatever they are for the Foodland program.

They can do it almost automatically. If they're inspecting, they can see these bags.

Hon. W. Newman: Hardee are alleged to have told us when they placed the purchase order there was to be no Foodland logo on the carrots that were bagged last week or the week before.

Mr. MacDonald: Why did they use the bags when they came back with the logo on them? They can't pass that off to the printer.

Hon. W. Newman: I agree. By the same token, I suppose the people packaging the bags—

Mr. MacDonald: They packed the bags and didn't know it? They thought they could get away with it.

Hon. W. Newman: No. In all respect, nobody in his right mind—I don't care what company it is—is going to put on one side "Product of USA" and on the other side Foodland Ontario's logo and expect to get away with it for very long.

Mr. MacDonald: Nobody in his right mind would use them when they came from the printer, if he thought the printer had made an error.

Hon. W. Newman: We all make mistakes. By and large I think that the program has worked well and I know that you support it, the marketing board supports it and the farmers support it. It's liable to happen again sometime. Somebody is going to make a mistake. Goodness knows, I make them.

Mr. MacDonald: All I hope is that Mel Swart doesn't have to draw it to your attention but that the inspectors will get it first.

Hon. W. Newman: So do I. The fact that he did doesn't bother me at all. I told him I appreciated it. I told you something in the House two or three weeks ago that wasn't quite right, and I apologized to you. I don't know whether you were in there when I apologized or not.

Mr. MacDonald: I was there.

Hon. W. Newman: Listen, I'm not perfect. There is only one person who is perfect and he doesn't live on this earth. We can all make mistakes and we all do, but we do our best.

Mr. Wildman: Could I just ask a question?

Hon. W. Newman: May I just comment?

Mr. Wildman: Go ahead.

Hon. W. Newman: I was just handed a note here and I can't make it out.

Mr. MacDonald: Do you mean your deputy writes as poorly as you do?

Hon. W. Newman: With the limited number we have, our inspectors are doing the best they can in this program. It would be great if we had more inspectors. It's just like the cow-calf program or any other programs we have had. How far do you go on hiring staff within the limitations of budgets to police these things? Our inspectors are constantly watching where they can at packing levels or at the retail level. That's what they tell me here.

Mr. Wildman: Mr. Chairman, could I just ask one supplementary? It seems to me that one of the reasons that Mr. Swart was able to pick that up was simply, as the minister is saying, nobody in his right mind would use those bags purposely, with the logo on one side and "Product of USA" on the other. Do we have any kind of assurance that there are not products from elsewhere that are being packaged in bags that have the logo and no statement of their country of origin on them?

Hon. W. Newman: Which would be worse.

Mr. Wildman: Right, which would be worse. The reason he was able to pick that up was that both those were on the same bag. Is there any possibility that we are missing situations where products that are produced elsewhere are being put into bags that simply have the logo on it that says "Foodland Ontario," without any indication that they are products of some other nation?

Hon. W. Newman: It would be a fallacy for me to say absolutely no, but to the best of my knowledge the answer is no. I would ask somebody who is working on the Foodland Ontario program to hand me a note on it, if I can read it here.

Our inspectors will be monitoring it. This is one of the reasons for the reorganization, as I said earlier. Our inspectors will be monitoring a lot of these products as we go down the road. They were basically quality control men before. We're now hoping to use those people for inspection work as well. That was one of the reasons for the reorganization of the marketing branch.

Mr. MacDonald: I suggested a moment ago it seemed to me to be no particular addition to their load, when they're looking at quality and other things of that nature, to cover this.

Hon. W. Newman: May I just comment? It's not hard as they are going along and checking the quality in the store to pull a bag of apples out and look to see if it's improperly marked, or something. Our inspectors who have been in the field for a long time are pretty qualified people.

Mr. MacDonald: Is there any penalty for an obvious breach of the regulations or guidelines of Foodland Ontario?

Hon. W. Newman: Yes, there are three acts under which charges could be laid. I'll have to be honest and turn for help. Our legal counsel are all at meetings tonight. I had them yesterday. I have them in this pile somewhere, but if I look for them it'll take me half an hour. They are The Restrictive Trade Marks Act, the Farm Products Grades and Sales Act, and there's the Combines Investigation Act. The charges could be laid under those.

Mr. MacDonald: Charges could be laid under those. To come back to the point Mr. Wildman raised, you don't know, I don't know, no one knows, when imported produce may be put in a bag that has the Ontario logo on it. If there is a penalty, and when you have got an obvious breach you lay charges and they have to pay the penalty, you may dissuade that practice from creeping in and undermining your whole program. I suggest at some point when you are not quite so generous as to concede it's a printer's error or something of that nature, you have got to indicate to them you mean these regulations, and you intend these regulations be lived up to or they are going to suffer the consequences.

Hon. W. Newman: If I have a clear indication somebody is deliberately breaching the thing, yes, I would certainly recommend to our legal branch, and I have talked to our legal branch about it, that charges be laid.

Mr. MacDonald: Okay, let me go on to the next couple of items, if I might. The ministry has had a task force study the possibility of building new greenhouses to use the waste heat from our nuclear plants in Bruce county and out in Pickering area. Obviously, this is a program worthy of enthusiastic support. There is the equivalent of literally millions of barrels of oil dumped out into the Great Lakes in the form of waste heat, and if that can be captured it can be used for greenhouse development. What has always puzzled me about the program and the enthusiasm which people up in Bruce or people out in—

Hon. W. Newman: Pickering.

Mr. MacDonald: —the area just east of your home riding have about this program, as a potential for diversifying their economy and developing new industry, and things of this nature, is what are you going to do about the existing greenhouse industry? You must have some assurance, and it must be prior

assurance, not after the event, there is going to be some reduction in imports. If the imports continue to pour in and you add many more new greenhouses to the existing greenhouse production capacity in Ontario, the net result may be for every new greenhouse you build in Pickering or in Bruce, there is one going to go belly-up in Essex county. It seems to me that some time soon you have got to face that dilemma.

I was interested, for example, in the paragraph in your leadoff statement which read, "Ontario currently imports approximately \$1.5 billion worth of food; more than half of that could be produced here."

Hon. W. Newman: Right.

Mr. MacDonald: Obviously, some of the produce you envisage as being produced in these new greenhouses, heated with the waste heat from the nuclear plants, is going to replace some of that \$1.5 billion worth of food we are now importing. Until you can get the co-operation of the federal government to reduce the imports, you are running the grave risk of setting up a competition. I repeat, for every new greenhouse you build you are going to destroy another one or undermine its economic viability. What are your thoughts on this issue?

Hon. W. Newman: There are several things. We talk about import replacements and you are talking about greenhouses. I am not only talking about import replacements in the greenhouse industry, I am talking about import replacements period, whether it's peanuts or whether it's soy beans or whatever it may be.

Mr. MacDonald: I agree, I agree.

Hon. W. Newman: My concept is that in Pickering the Ministry of Energy is building a small greenhouse complex. They are doing this under simulated conditions, from the waste heat from the Pickering nuclear plant. There are many other uses, of course, for this waste heat such as for heating homes, heating plants, and so on. I am really some what out of my field because it's the Ministry of Energy's project. The main idea, of course, is because of the reduced costs, we will be able to grow crops we would normally not grow in greenhouses, import replacements. This is a lot of it and this is very important. Not only that but we have just completed, I believe—and Dr. Rennie could correct me on this—the building of greenhouses in Vineland, which will cut fuel costs on the conventional greenhouse by, I don't know how much. Dr. Rennie could tell me perhaps.

Dr. Rennie: Fifty per cent.

Hon. W. Newman: We are hoping to reduce costs of heating by 50 per cent.

Mr. Riddell: With what kind of device?

Mr. MacDonald: Passive solar?

Hon. W. Newman: What kind of device? Solar; different material, different kinds of glass; storage of heat in the daytime, releasing it at night; the thermal blankets, of course, which are in place in some areas. These greenhouses have just been completed, I believe. We'll be doing the experimental work and we feel—don't hold me to the exact figure—we can cut greenhouse costs by 50 per cent.

Mr. MacDonald: Can that be introduced into an existing greenhouse?

Hon. W. Newman: Much of it could. And there are many other factors about the tariff structure, which could be of some help on this; the temporary tariffs on certain greenhouse products that come in here while our products are coming in, which will help our existing greenhouse operators. So we are doing a great deal of experimental work on solar panel, and storing the heat in the daytime, using it at night.

Mr. MacDonald: But have you a prior commitment from the existing government or do you think you can get a prior commitment from whatever government will be in power after May 22 to reduce imports so that you don't have a glutted market in terms of potential greenhouse production?

Hon. W. Newman: Yes, the present government has already said it would bring them in October 1, and I am quite sure the new government will too. I wasn't being facetious when I said that, but whichever one is there I am quite sure would—

Mr. MacDonald: Live up to that commitment.

Hon. W. Newman: —live up to these commitments. What I said is, unfortunately they can reduce tariffs in 14 hours but they can't bring the other ones in. Certainly I understand that the government at present in power has made a commitment in the new tariffs and I also know that, although it sounds political, if the government changes—and it will change—they, also, are committed to the new tariff structure. I am not referring to your party, of course, Mr. MacDonald, because I haven't heard what their commitment is, but the other party.

Mr. MacDonald: It will be even better.

Mr. Riddell: I am sure that everyone has had an agreement with you over there, just

in case we happen to form the government next time round.

Do you envision, Mr. Minister, the growing of a different kind of crop in those greenhouses in Douglas Point? Let's say, lettuce.

Hon. W. Newman: Good example. I think that lettuce could be grown in greenhouses if you can get the cost down and the cost amortized over 30 years. In the greenhouses they are talking about at Douglas Point they will be able to grow lettuce and make money.

I am taking the Ministry of Energy's word for this because they have done the basic calculations. But, lettuce is a good example.

Mr. Riddell: So that really wouldn't be competing with the greenhouse growers down in Essex and Kent.

Hon. W. Newman: No, and I am well aware of the greenhouse, growers in Essex and Kent and of their concerns. I am also aware of the fact that many of the greenhouses are of an older style, and I appreciate the fact, which is why we are doing research, because I think the greenhouse industry in Ontario has a great future if we can develop the energy-saving concepts that are needed so much because of fuel costs and everything else.

Dr. Rennie might want to comment.

Mr. MacDonald: If you have developed energy saving concepts from your experiments in Vineland, may I suggest in advance, so you'll have time to think about it, that, if it is legitimate for you to provide up to a couple of hundred million dollars to help the pulp and paper companies to renovate themselves and update themselves to deal with competition, this might be an area in which the government would consider assistance to the older greenhouses to modernize and take advantage from the benefits of the research that you have done so that they can stay in the field and reduce their incredible energy costs, because that's what is driving them to the wall.

Hon. W. Newman: This is, of course, what we are doing. That's why we are doing so much research on it now, to save costs on the present structures.

[9:30]

Mr. MacDonald: I have a final point, Mr. Chairman, and then I shall bow out for the moment. Mr. Minister, you had the benefit of a recent delegation from the United Co-Operatives of Ontario, as did the opposition parties. What, if anything, has this government done on a point they were very concerned about; and that is, drawing our attention to the control of the grain terminals

along the St. Lawrence Seaway: the one at Sarnia is foreign-controlled; the one at Toronto is foreign-controlled; the one at Goderich is partly foreign-controlled; the one at Three Rivers is partly foreign-controlled; Quebec City, Baie Comeau, and Port Cartier are foreign-controlled; and there is a prospect the one in Port Colborne will shortly be bought up by Cargill or by who knows what.

Since you have, we were assured by UCO, the prospect of two co-ops, in Elgin and Norfolk, in a joint venture along with W. G. Thompson Company—a long-established Ontario firm—to make certain that that Port Colborne terminal remains in Canadian hands so the priorities of its use can be directed to our needs, rather than needs which may be decided in a boardroom who knows where; what is the government's view on this? Have you made representations to the federal government? What is the prospect of our giving them assistance to the point that what they are trying to work out—a joint venture between the co-ops and the Ontario company—can come to fruition?

Hon. W. Newman: May I say first and foremost that I met with UCO. We have an annual meeting, and I do talk to them on a regular basis. I supported UCO's takeover of the Port Colborne terminal by way of Telex to Mr. Whelan which I followed up with a letter to him, pointing out that we were supporting their particular project because it is competitive and because we want UCO and those affiliated with them to have the Port Colborne facility.

However, as of today, I received a letter from the UCO saying the federal government will not make a decision until June 15. That does concern me, because I fully anticipated a decision long before May 22, and I am not playing politics. I have strongly supported the UCO on this all the way. I have the correspondence to back it up. Certainly, I was hoping Mr. Lang would have given his decision prior to the election. I am disappointed, because I worry about it. All I can assure you is when the new government takes over I will pursue the matter with them.

Mr. MacDonald: Let me pursue this a bit further. If this is going to be bought by a foreign-owned company, I presume it will have to be reviewed by the Foreign Investment Review Agency.

Hon. W. Newman: Right.

Mr. MacDonald: And if it is reviewed by FIRA, and you have an alternative Canadian proposition from two Ontario co-ops and an Ontario company, I would hope that, unlike the 96 per cent of foreign takeovers that

FIRA has okayed, with at least the tacit approval of this government, we can have some assurance that this will not happen. Am I correct in my hope?

Hon. W. Newman: Not quite, because this is a lease arrangement. If it was a straight takeover it would go through FIRA. But it will be a lease arrangement, if I understand it correctly, with the government of Canada. Therefore, FIRA would not be involved as there is no sale involved.

Mr. MacDonald: Just a minute; who leases what to whom?

Hon. W. Newman: The federal government will lease Port Colborne facilities to whom-ever. It is not a takeover; it is not a sale.

Mr. MacDonald: Surely, if it is a case of the federal government leasing it to an American company, or to a joint venture between two Ontario co-ops and an Ontario company, it would be unthinkable that the federal government would lease it to a foreign company.

Hon. W. Newman: I would have to agree with you completely. I have done everything I can. I have talked to Mr. Whelan, to Mr. Lang; I have letters, Telexes, pointing out our position. As far as dollars are concerned, the UCO are not asking for any dollars from Ontario.

Mr. MacDonald: I know.

Hon. W. Newman: It is a lease arrangement. If it was a straight sale, I would recommend very strongly to the Minister of Industry and Tourism (Mr. Grossman), whose ministry is the lead ministry on the FIRA situation—we do meet on a regular basis, I and my staff, with the minister on foreign takeovers—that in this particular case it go to a Canadian company. But as I said, it is a lease, not a sale.

Mr. MacDonald: I would think the case is even more clearcut. If it is going to be leased, it should be leased to a Canadian concern.

Hon. W. Newman: I have done all I possibly can with Ottawa on this situation. My only concern is that I received a letter today saying they are not going to make a decision until June 15, although there is no reason in the world why they couldn't have made a decision two weeks ago.

Mr. MacDonald: I give you my assurance that I will march on Ottawa along with you, if that is necessary.

Mr. Riddell: Would you write a letter of recommendation of support?

Mr. MacDonald: I will send them a transcript of this debate.

Mr. Wildman: My concern deals with the minister's statement recently in regard to the suggestion made by the federation and others that we do something in regard to farm machinery and parts availability—servicing and so on.

I come from a northern riding where a lot of farmers have experienced difficulty in obtaining parts when they have breakdowns in the middle of a harvest. But I'm particularly concerned because I was a member of the procedural affairs committee last fall when we were given the task by the Legislature of reviewing a large number of agencies, boards and commissions, and seeing whether or not they were effective. If they weren't, we were given the task of determining what changes should be made.

One of those agencies, boards and commissions that appeared before us was the Ontario Farm Machinery Board, and it was a really strange experience to have that group before us. We had the one employee of the board there, along with a number of the members of the board, and we found that on many occasions the employee said one thing and the members of the board said the opposite in answer to the same questions. After going through a long proceeding, it became pretty obvious that whoever was correct in his answers, the board has very little power and is pretty ineffectual. There are members on the board who would like to see it have more power and be strengthened. Reference was made to the western provinces—Manitoba, Saskatchewan and Alberta—and the legislation they have in those provinces to try to deal with this kind of difficulty that farmers often face.

The result of our hearing and the recommendation made by that committee was that the government either strengthen the board and give it some legislative power, or that it be disbanded. The minister in a statement this session has indicated arrangements can be worked out to ensure that when farmers need certain services or parts at a critical time of the year—whether it be during harvest or seed time—such service or parts be available.

In our area, it is difficult; in the northwest, it is even more difficult; and I know it is a problem for farmers all over the province. In my area I know of situations where farmers have ordered parts that are not available because we have very few dealerships. Some of the dealers have gone out of business in the last few years, and there are not that many dealers left in the area—just the two main ones. Often when they don't have the necessary parts and they order them, it takes

a long time for them to arrive. On a couple of occasions they have been shipped by a most circuitous route — from Toronto to Thunder Bay and back down to Sault Ste. Marie, for some reason.

I know the minister has made a statement on this, but I would really like to know what progress the minister is making and why he feels the voluntary route would be more effective than the route of legislation patterned after, say, that of Manitoba or Saskatchewan?

Hon. W. Newman: I will be glad to answer your question. There have been some problems with legislation in the west which we are aware of.

I held a meeting in the last month with the manufacturers, distributors and dealers association, as well as the Farm Machinery Board. I think I laid out very clearly to them what I expected of them. Did you notice that of all the recommendations of the procedural affairs committee relating to farming—I think by and large we accepted them all—there were some modifications on this one? That is why I would like to explain it to you.

I had a meeting with them and we are going to reconstitute the Farm Machinery Board; as a matter of fact, I have asked for names from the manufacturers, from the distributors and from the dealers. Mr. Hannam of the Ontario Federation of Agriculture was there at the meeting I have asked him to submit names. He has submitted some and we are going to reconstitute the Farm Machinery Board.

I put to them very clearly at the meeting—and I will tell you exactly what I told them—that I wanted a basic code of practice—if I can find my own notes here. I want them to assure us of adequate parts and repairs; I want a minimum guarantee or warranty, a code of practice, call it what you like; and a standard sales contract for all companies.

We spent two or three hours discussing this and I asked them to come forward with a proposal. Although it hasn't been done by order in council yet, it will be done very shortly. The names have just come in last week. Nobody has given us a name from northern Ontario, so we want to get somebody from there.

Mr. Wildman: I can give you a few if you like.

Hon. W. Newman: We are working on somebody from northern Ontario, and I think we have someone now.

Mr. MacDonald: Ask John Lane. He will give you some.

Hon. W. Newman: Yes, he certainly would.

Mr. Wildman: I wouldn't even mind giving you the names of a few Tories from my area.

Hon. W. Newman: That is all you have got up there.

The board will be reconstituted by order in council very shortly. I have asked them to come back by the end of June, covering the points that I have mentioned to you now, because I know what it is like to have a breakdown myself; I know what time down is on machinery; I know what warranties are all about, having been a farmer—I still am a farmer; and certainly I want some standards. I have asked them to come forward by the end of June with their proposals.

There are a lot of dealers out there who are servicing the farm community and the dealers themselves bust their you-know-what to try and get those parts for the farmers. After all, service is really very important to them. Their reaction to a questionnaire sent out to them—not from me, from the distributors—was, “We have enough government red tape now. We are doing the best we can for the farmers, and we just don't want any more legislation at this time.”

So I decided to suggest we put this board together; let's let the present Farm Machinery Board, plus somebody from the distributors, somebody from the dealers and somebody from the manufacturers and one person from the federation of agriculture sit down and come up with a code of practice covering parts, time frame, guarantees, minimum warranties and so on and so forth.

The general consensus of that meeting—some disagreed with me—was that it could be done. I said, “Fine. I want a report back in late June of what you can do.”

If we cannot do it, and I have to feel we can, then I feel we are going to have to take other steps to deal with the situation. I want to give them the opportunity. I said we were going to take their advice and reconstitute the board. It remains to be seen if they can do it. I have confidence they can—and there are those in this room who will agree and those who will disagree with me—but I want to give them that opportunity. They say they can, and if they cannot do it, then I am quite prepared to look at another method of doing it.

[9:45]

Mr. Wildman: I want to make clear, Mr. Minister, that in general terms, and more specifically in relation to my area, that I am not critical particularly of the dealers. I think the dealers in the area would like to be able to serve the farmer as well as possible, and in most cases do the best they can. I think that they run into as many

problems with the distribution and the manufacturer as anyone.

Hon. W. Newman: There is no doubt about it, but the dealers, by the same token—you know, if you pass legislation you will have to automatically include your dealers.

Mr. Wildman: Yes.

Hon. W. Newman: And, listen, I know the dealers, I know the dealer I deal with. I know that he will tear a part off a machine and give it to me for another machine, and most of them are very good that way, they are excellent.

Mr. Wildman: Is there any possibility that there will be any moves to try to deal with the problem? Let's say a part just isn't available in the immediate future, and there is good weather and work has to be done. Is there some possibility that there would be some method of ensuring that a machine can be made available and that there will be some assistance with the rental if it isn't the farmer's fault that he is having to rent another machine to do the work that he could have done if the part needed had been available?

Hon. W. Newman: There are several problems. It is not always easy to determine why it broke down, or what happened, and so on and so forth.

Mr. Wildman: I am talking in terms of warranties.

Hon. W. Newman: A standard warranty, of course, is what we want. What you are really saying, I think, if something breaks down, would we consider something mandatory that they would have to give somebody another piece of equipment to work? A lot would depend on the circumstances. There may be a one-year warranty on the tractor, or it may be just about out or something, or it could have been carelessness, or otherwise. All I can say is that I think most of the dealers will co-operate.

I hesitate to do this, but I do it all the time; I give you an example of my neighbour across the road with whom I spent an hour on Sunday. His tractor broke down; he took it to the dealer. They tore it down, fixed it up and had it back to him in 24 hours. It still wasn't right. He took it back. They fixed it and it still wasn't right, and they said, “Look, there is another tractor, take it and get to work.”

That is not going to always happen with dealers, but I think that dealers, by and large—I won't use the medical profession for an example, that is a bad one—by and large, most dealers want to satisfy their customers and want to be very helpful. If there are

reasonable grounds, I think they would be co-operative, but as far as my saying that we would put this in the voluntary code, we would have minimum warranty, we would have minimum parts supplies, and time frames on those.

One of the concerns that I have—some question of the standard sales contract—is some of the smaller companies, and just how we are going to deal with those. The big ones, I think, will all go along with it, but some of the smaller companies are the ones that we are going to have to get involved. I am convinced after our meeting that they can do it, and I am saying let's give them a chance to try and work this out.

Mr. Wildman: Mr. Chairman, I won't prolong this, but I may say that after hearing the testimony before the committee last fall, I am not as optimistic as the minister in the possibility of working this out; especially when members of the board itself extolled the western approach and the legislative approach in western Canada. Some of them said they wished they had the same kind of power.

One member of the board—a well-known former member of this government, I believe, or relation—stated that since the legislation had been passed out in western Canada, one of the reasons we have problems getting parts in Ontario is because a lot of the parts are out in western Canada, and they are stored out there. I know the manufacturers disagree with that. But that was his position, that since it is now required that parts be made available within a certain period of time in western Canada, that is where a lot of them are, rather than in Ontario.

Hon. W. Newman: I could disagree with you on that. A lot of parts—

Mr. Wildman: There was a disagreement before the committee.

Hon. W. Newman: I wasn't at the committee. Certainly I have had discussions, and I have looked at all these highly sophisticated computerized data and various things, and it is all very well, but all you need to do is make one small mistake on the computer and you foul up the farmer. You could have the parts in Timbuctoo instead of Ontario, and these things can happen. I want to try to see if it will work this way because I think the dealers and the distributors would like it this way. I think if most of the farmers can get satisfactory results by doing it this way, they would be quite content.

Mr. Wildman: I'll let that pass. In conclusion, I think we should be looking at

dealing with the problem as quickly as possible.

Hon. W. Newman: That's why I have asked for the report by the end of June.

Mr. McKessock: I want to ask you a question about the statement you made in the House today. I notice Mr. Crown was here a minute ago. Has he stepped out?

Hon. W. Newman: We all have to go places sometimes.

Mr. McKessock: As you know, I am very concerned about the ARDA program and our relationship in Ontario with the federal DREE program. The ARDA program certainly was of great benefit to my riding. In fact, I think Grey county used the manufacturing of natural renewable resources probably more than any other county in Ontario, where they gave \$5,000 for each job created. This was a great way to promote employment and it did a lot for our area and also for the Bruce, Wellington, Dufferin and Simcoe areas that you stated today the federal government would not agree to having in a new program.

I expect you watched the federal TV debate on Sunday night.

Hon. W. Newman: Yes.

Mr. Wildman: That's where he got so mad.

Hon. W. Newman: Exactly.

Mr. McKessock: The Prime Minister was asked about the DREE program. He said that it was up to Ontario to decide what part of Ontario was put in the DREE program. After hearing your statement today that it was the federal government that decided that Grey, Bruce, Wellington, Dufferin and Simcoe couldn't be in it, there is confusion here.

Hon. W. Newman: No, there is no confusion. That's why I made the statement today.

Mr. McKessock: Did you hear him make that statement on Sunday night?

Hon. W. Newman: Yes, I did.

Mr. McKessock: On the one hand, the Prime Minister is saying it is up to Ontario to decide what part of Ontario is in the DREE program, while you are telling me that the federal government is saying what part of Ontario can be in it. Who is right and what is going on?

Hon. W. Newman: Every word I said in that statement tonight is right. I am sorry I was a little excited when I said it because I was so mad when I saw that debate on

Sunday night and heard him say it is up to Ontario.

Mr. MacDonald: Do you mean you hadn't cooled off when you read it?

Hon. W. Newman: It really fascinates me when I see unilateral decisions being made. You know as well as I do, even though you are a good Grit from Grey riding—and I am being facetious when I say that—that we fought very hard to get Grey and Bruce into that agreement which affects your area. I am only using that for an example. We were unilaterally told that in no way are Grey or Bruce or north Simcoe to be involved, period. They're out. They don't need it, period. There were no negotiations at all. It annoys me.

Mr. McKessock: You should have gone a little higher to the Prime Minister. Apparently he's in favour of having us in.

Hon. W. Newman: Is he?

Mr. McKessock: That's what he said.

Hon. W. Newman: If you recall correctly, I spoke to you about it some time ago and suggested you get after your federal counterparts. I did that to every Liberal or Tory member whose riding was being cut out. I told them what was happening and advised them to be sure to get after the feds.

Mr. McKessock: I did too.

Hon. W. Newman: I appreciate that. As I said in my statement today about eastern Ontario, we started out with a \$57 million package.

Mr. Wildman: Why didn't you contact the New Democrats?

Hon. W. Newman: You weren't basically in the discussion as you don't have a problem. It was those who got cut out. In the case of every one that was taken out in the eastern agreement, it was a unilateral decision by the government of Canada. They said they are too close to Toronto and they don't need it.

I even went so far as to call Hugh Faulkner, the federal minister, as well as John Turner, and told him that Peterborough had been cut off. Peterborough with a very high unemployment rate had been cut off. In fairness to Hugh Faulkner, I won't say what he said to me, but, needless to say, he was upset. They cut off the various counties. Let me try to wing it here. They cut off Muskoka, they cut off Victoria, they cut off Haliburton, and they cut off north Simcoe. In eastern Ontario, they cut off Peterborough, Victoria and Haliburton.

Mr. McKessock: There are two more, part of Dufferin and part of Wellington, which are in my riding and were also in it.

Hon. W. Newman: We asked that all of those be left as under the ARDA agreement. We very strongly feel these areas should be included because they are areas that really need this assistance. We fought for it. Because we wanted to get on with the program, I very reluctantly said we were prepared to sign an agreement with Ottawa so we could get this funding and get these outlet drainage and other programs going.

They cut it from \$57 million, which was the general agreement we had, back to \$50 million and then unilaterally last week or ten days ago they said, "We are going to take out the \$10 million assistance to small processors and small companies. We are going back to \$40 million." That is not their \$40 million. Only \$20 million is theirs and \$20 million is from Ontario as we had agreed. That is only \$20 million over five years. That is \$4 million a year from Ottawa.

I could tell you how much money is spent by DREE in the other provinces. I am inclined to be biased sometimes, but I will be honest tonight and say we got a total of five per cent of DREE funding in the province of Ontario.

Mr. Chairman: Thirty-three and a third per cent in Quebec.

Mr. G. I. Miller: What is the reason for it?

Hon. W. Newman: You're a politician, you answer that.

Mr. Riddell: Because the Ontario minister wouldn't put on his boxing gloves.

Hon. W. Newman: We had five ministers and I must say I was rather vocal. Don't forget the Treasurer (Mr. F. S. Miller) was doing the negotiations and it was through his kindness yesterday that he let me say what I said today because I could contain myself no longer.

Mr. Mancini: How much did Alberta get?

Hon. W. Newman: Newfoundland gets 90-10; the Maritimes, 80-20; Quebec, 60-40; Manitoba, 60-40; and Ontario, 50-50. The area has been cut and there is no agreement yet. Alberta, I think, gets 50-50 and BC gets 50-50. Is that correct? That's the way it works.

Mr. Mancini: That sheds a different light on the matter.

Mr. McKessock: Is the federal government calling the shot in all of the other provinces? In Ontario, it is a 50-50 program, but obviously you are not getting 50 per cent of the say. You are doing the administration of the program for it, isn't that right?

Hon. W. Newman: Right.

Mr. McKessock: You did with ARDA and you paid 50 per cent of the cost. I would expect you would be able to say where it goes in the province, as the Prime Minister said.

Hon. W. Newman: So would I, but they unilaterally say no, no, no. On September 8, they unilaterally announced the program without any prior consultation with this province. I just tell you, it really concerns me and I shouldn't be making a political speech as somebody thought I was making in the House today. I just told you the facts. That sort of thing is being done in Ottawa without consultation with the province, and I get told I am nasty because we are big, bad Ontario. All I ask is what is equitable and right for this province.

Mr. Riddell: Time for a change in government. I think we'll send you and Mickey down next time.

Mr. MacDonald: Have you got the breakdown of percentage of the overall payout from Ottawa that goes to each province? You have five per cent going to Ontario and 33 per cent to Quebec. What are the others?

[10:00]

Hon. W. Newman: I have the overall figures if I can find them here. I think it was 100 in 1977-78. I will bring it tomorrow. It is here somewhere.

Mr. McKessock: Can I be assured if there is a change after May 22 that Grey, Bruce, Wellington, Dufferin and Simcoe will be back in the program?

Hon. W. Newman: All I can assure you is we will continue to negotiate the best deal for all counties, districts, and regions in Ontario.

Mr. Riddell: If you will include Huron, I'll even go out and campaign for Clark.

Mr. McKessock: At least you agree, Mr. Minister, that what was covered under the RDA program should be still covered?

Hon. W. Newman: I fought for it. I was very strong about it.

Mr. McKessock: I appreciate that and I am certainly going to find out why the Prime Minister has said it is up to Ontario to decide what part is covered by the DREE program when, in fact, as you say, that is not the case. I want to find out why he said that.

Hon. W. Newman: Mr. Whelan would probably not agree with what DREE did. But what Mr. Lessard did and what the Treasury Board did they did, and it was done unilaterally and there is no doubt about

Mr. McKessock: What bothers me is the Prime Minister doesn't seem to agree either with what was done.

Hon. W. Newman: He made a statement on Sunday night which prompted my statement today. I wanted to make it sooner and we were trying to negotiate in good faith. When that came out we found out there is no negotiation in good faith going on right now. It's not because we don't want to, because we want those agreements.

Mr. Mancini: It's not too close to Toronto, is it?

Hon. W. Newman: No.

Mr. G. I. Miller: It is May 15 and the strawberry season is upon us. I wonder what are the minister's plans for 1979 as far as imports and promoting Ontario strawberries are concerned?

Hon. W. Newman: Two things: It is very unfortunate that the tariff protection we wanted on a seasonal basis will not be in place this year. That is a very unfortunate situation. I felt it could have been done, but it wasn't done. So what do you do? You take the next best step.

I stand to be corrected but I believe we are working with the old strawberry board, as it was, but it wasn't very active. It was on the books but not active. We are hoping that through discussions with them, we can reactivate that board to some degree and work with Foodland Ontario in the promotion of strawberries. The details have not been worked out as yet. We are working towards it.

What I am worried about, because of the weather situation, as you are well aware, is that we are running late everywhere, which will probably mean we will have a strawberry crop coming on this year. I am no mind-reader, but I gather they could all come on together again this year. Hopefully a promotional program could be worked out.

The Foodland program will advertise and try to promote Ontario strawberries during the season. We hope we will get the co-operation of the chains and not have them backing imported strawberries up into the system because the imported ones come in first. We would hope for the co-operation of the chains and try to not let imported strawberries back up into the system.

One of the problems with strawberries which I should make clear and put it on the record, is that because of the new chemicals we have to deal with weed control we no longer plough strawberries down on a two-year and sometimes three-year basis. So we

are getting the buildup of a strawberry crop here in Ontario.

Last year, to the best of my knowledge, most of the strawberries moved out very well. There were very few that did not. There was one particular instance mentioned in a newspaper last year—I am not picking on any particular individual and I am only going by memory—that a certain person called a certain chain and said; "Will you take a tractor-trailer load of strawberries?" And the response was, "Will you guarantee the quality?" at however they classify quality. The person was not prepared to do that so it created a problem that got into the press.

You don't normally take out an eight-furrow plough to plough into your strawberries and that's all I will say at this time. I know what happened last year on a particular story that broke in the press and that's fine. That's fair enough. This year we are hoping that with the Foodland Ontario promotional program, they don't hit us too hard all at once with a very heavy crop. With the co-operation of the chains I hope we will be able to move the strawberry crop out this year but I can never guarantee any more than anybody else can that it won't be a very heavy crop, or whatever the situation will be. We don't know at this time but we will make every effort to try and see that the strawberry crop is moved out. It did move out fairly well last year.

As I said, if we had the tariff structure in place, it would make all the difference in the world. We don't for this year so I am worried about the horticultural industry this year; but we have been promised by the first of October that the legislation will be introduced to deal with this. Then we will be able hopefully to look at a whole new system, maybe even processing strawberries, maybe freezing strawberries. We have been primarily dealing with a fresh market at this time. There are a lot of strawberry growers who live in my own riding so I am fully aware of some of the problems they are facing.

Also we will probably do a special promotion this year, if we can afford it, maybe not in a big way but on the pick your own strawberries which we think is becoming very popular especially around not necessarily the bigger areas but the London area and other areas. I don't mean to interpret London as a smaller area but around those other areas where people will come out and pick their own and freeze them. My wife does, and a lot of other people do and they will be helping that way to remove the strawberry crop as ably as possible this year.

Mr. G. I. Miller: Mr. Minister, I just want to make one point clear that last year there were strawberries that were ploughed under in my area. I think we produce roughly around 30 per cent of the strawberries in Ontario in Norfolk county and there were strawberries ploughed under. There were also strawberries in cold storage which they indicated at the marketplace weren't "A" quality, but from my observations, and I had a look at those strawberries, they were number one. I came down to Toronto that same week and we had lunch here in one of the restaurants and I knew well that they weren't Ontario strawberries. I can tell the difference in the taste. There is no comparison between Ontario and imported strawberries.

Ontario's strawberries are much further ahead and I said to the girl; "How come you are not using Ontario strawberries?" And this was the end of June. We had strawberries that we couldn't even move. She said, "We are not aware that strawberries are on the market yet in Ontario," and I think your ministry should bring it to people's attention that these berries are on the market.

Is there no way of stopping the dumping of American strawberries on the Canadian market? I think this is really what happened last year. There was an abundance of Canadian strawberries. Americans had made their profit on the earlier shipment and so consequently when ours came on, they were selling theirs for \$3.50 a flat which is at a disaster price. There was no way that we could compete with that and I think that you should be aware of that. It has been brought to my attention that there could be 300 acres that there could be no market for this year.

I don't want to disturb the marketplace but I want to make you aware that these strawberries are very likely to be available, taking weather conditions into consideration. I think there were some frozen strawberries put up by some producers. It came to our attention too that there was no alternative but to put them on the fresh market and when you get in that position, you are in a bind. I think John and Max Steel did freeze strawberries for perhaps the first time in Ontario.

I will say your ministry did give a hand in marketing those and it was appreciated. I gave them an alternative and I hope that they can look forward to this year with maybe the same alternative. I don't know if your ministry has come up with any processing markets or encouraged organizations to produce for the processing market.

Hon. W. Newman: You brought up three or four questions about processing. You know the \$200 million fund that Mr. Miller has announced for creating jobs in the processing industry and so on. We have already sent two companies over to talk to them about processing, but not strawberries. I have said this before, I think in the House, I am not sure, or I may have said it here the other night that if you know of anybody who wants to get into the processing industry, keeping in mind the new tariff structure that's coming and I think it's 10 per cent on strawberries while they are in season, that if they are interested—

Mr. G. I. Miller: When does that come into effect?

Hon. W. Newman: It doesn't come into effect until this fall.

Mr. G. I. Miller: I know, but is there nothing—

Hon. W. Newman: Let me finish. Can I just finish? What I am saying is that it's too bad that it didn't come into effect this year. There was time to bring in those tariff changes but anyway we have this fund. Knowing what's going to happen in the tariff structure, if you know of any processors that want to get into processing strawberries or freezing strawberries, if they want to get into the business, not for this season, but for next season, they should get in touch with our ministry or I and T. If they contact us we will help them in every way we can. That's number one.

It's not going to help this year, I appreciate that. The 1978 crop, last year's crop, came all at once. You know that as well as I do. It was a problem. The same thing could happen this year. I have mentioned the tariff, but I must say this, the Fresh Fruit Growers Marketing Board said last year that they felt, and I am quoting from the fresh fruit board, they felt that the chain stores supported their strawberry growers last year. This is a fresh fruit board saying this, not me.

Mr. G. I. Miller: I would hope so, because I think it could be to their advantage as well as—

Hon. W. Newman: Exactly, and we will make a special effort this year, but I cannot guarantee you nor can I guarantee anybody else, if you have an over-abundance of crop. I worry every year about the peach crop. I sweat more than you do because I don't really worry about strawberries, I worry about the other fresh fruit crops. What if we get an abundance of peaches? They have got to move. They are a fresh crop. They did a

good job last year of moving them out and promoting them. We worry about the grape crop, although since everybody is drinking more Ontario wine and it's a good quality wine, as time goes by I think we are going to build a tremendous wine industry. We are not going to run into this surplus problem they have had in the past. Watch somebody tell me this fall they have got a surplus.

Mr. McKessock: What per cent of the capital cost is the Miller fund going to pay for processing?

Hon. W. Newman: There will be various procedures worked out and the details will be in place within a matter of two weeks. But this does not preclude anybody from now going forward with any sort of proposal, whether they want a grant or an interest-free loan or however it will work. The details will be announced by the Treasurer I assume very shortly but that doesn't preclude people right now because we have two firms going forward right now with proposals of what they want.

Mr. McKessock: So you can just go to him and tell him what you want? That's the way you get it, is it?

Hon. W. Newman: No, no. It's not quite that simple. You realize that, You are a businessman hopefully, all farmers are businessmen. But certainly if you know of someone—I had a letter come across my desk today which we will turn over to the people who are doing this work. The details of the program in all fairness I am aware of but I don't think that I have any right to announce them at this point in time, it would have to be up to the Treasurer. There will be various sorts of programs to encourage—it's called the Employment Development Fund and I really believe that in the agricultural processing industry, there's a lot of room for development there once we get tariffs in place and other places. I think there's a great potential. I have talked to several companies myself in the last few weeks and I just hope that if you know of anybody, small or large, that is interested, we will put them in touch with the appropriate people.

[10:15]

Coming back to your initial question, we will do all we can this year to try to help move the strawberry crop. I think we will get co-operation from the chain stores. We will promote it. If the crop is light, who knows? I am saying if we anticipate it all coming at once, it is difficult.

Mr. G. I. Miller: Do you keep any records as to what percentage of the strawberry crop

is utilized and what percentage is produced here, in order to see whether we are gaining or losing?

Hon. W. Newman: We are gaining in the overall amount of strawberries grown. I can't give you exact figures.

Mr. G. I. Miller: I am singling out strawberries now, but wouldn't it be of interest to have those figures available and give producers something to shoot for; quality considered and the whole thing? My calculations last year were that we were only producing 18 per cent of the strawberries that were utilized in Ontario.

Hon. W. Newman: We don't have the total figure.

Mr. G. I. Miller: Don't you think it would be advantageous for your ministry?

Hon. W. Newman: We can give you ballpark figures of the total acreage of strawberries in the province of Ontario.

Mr. G. I. Miller: Have you done any research on freezing?

Hon. W. Newman: We have done a lot of research on small fruits.

Mr. G. I. Miller: I am saying on freezing. They started packaging in 25-pound pails. I don't think they were very satisfactory. I just wondered if you could give them any assistance as to the best design in the packaging of frozen strawberries that would be acceptable to the market. Wouldn't that be an area in which you could be of assistance?

Hon. W. Newman: As far as research is concerned, I can't give you the figures. Dr. Rennie can probably give you ballpark figures. I know that Dr. Archibald, who runs our Vineland station, says we are doing a great deal of research on strawberries. Maybe I will ask Dr. Rennie to answer that question because I am not sure of the figures.

Dr. Rennie: What is the question, specifically?

Mr. G. I. Miller: I am just wondering if there is any research being done on the packaging of frozen berries that would be acceptable to the market; container-wise, maybe facility-wise. What is available? Is any research being made available to the industry?

Dr. Rennie: There has been some research on that. In fact, that is one of the three major areas in the new provincial lottery fund that the minister referred to earlier this evening, where we are looking at the feasibility of expanding the range and selection of Ontario-produced products; the quality and safety of Ontario products. We are hopeful that there will be a number of research

products funded in there, dealing with the quality retention and the processing aspects of many Ontario-produced products. I am not in a position at the moment to say what they might be because we are asking for proposals from the research community, both public and private, in that respect. But we are very hopeful. That is why we have identified the three areas in the Provincial lottery fund to emphasize that aspect of research and development.

Hon. W. Newman: Thank you, Dr. Rennie. I also would point out the last time I was at Vineland they were investigating the keeping qualities of strawberries. I am not a research person, but they had a whole table laid out with different varieties of strawberries—which ones keep the best, which ones freeze the best. They are doing research on that aspect.

Mr. G. I. Miller: I would point out to the minister that we do have a horticultural centre at Simcoe which is close to the strawberry-growing area and it has been very useful. I want to say thanks again for the assistance that was given last year.

It has also come to my attention, though that three research positions have become vacant and have not been filled at this point in time. I don't know whether that is because of cutbacks, but that has been a concern.

Hon. W. Newman: As far as research people are concerned, some people have retired, some people have left the ministry for other reasons and we are now in the process of replacing many of our research people. As you probably know, with the government cutbacks we had to get back to certain levels before we could start to replace people. We have been advertising for research people, can't give exact time frames, but I know Dr. Rennie and I have talked about this. We are now replacing research people wherever we can and as quickly as possible. We hope to have them replaced by fall at the latest, some of them before.

Mr. G. I. Miller: There is one other area when talking about the research, there is an indication that the cutbacks seem to be at the worker level while the administrative level is being maintained. The cutbacks are where you really get the results and the shortage applies there. I want to bring your attention, as it has been brought mine, that that is a crucial area. Everybody cannot be the chief; you have to have workers. I want to make the minister aware that this is a bit of a problem according to feedback I am getting and my observations and input.

Hon. W. Newman: May I say, Mr. Miller, as far as cutbacks are concerned—I must say I am very proud of our staff—they work long, hard hours. And I must say about our staff—in the agricultural field, I won't compare them to any other ministry of this government—they are all very dedicated people. I want to tell you that if cuts are going to be made they should start at the top, and I started in my own office.

Mr. McGuigan: There goes the minister.

Hon. W. Newman: I just want you to know that we have taken cuts at head office, as well as in the field. I felt that I should set an example by taking a cut in my own office and I did. So if the phone doesn't ring sometime when you call late at night, you will know what happened.

Mr. McGuigan: Jim Snow lost his driver.

Mr. G. I. Miller: I am not suggesting that agriculture should take the cuts. I think agriculture has been the kicking stone for a lot of government people. I think maybe we should be expanding that. It has been pointed out by our critic that we are only spending one and a half per cent of our total budget on agriculture. It has been indicated by Don MacDonald that we are importing over \$1.5 billion worth now. We could gain half of that, by your own figures, and to say that we are going to cut back, jeopardizing the agriculture industry, I think is a step in the wrong direction.

Hon. W. Newman: We have not cut back in the research field, dollar-wise.

Mr. G. I. Miller: Again, the comments coming from the working force do not indicate that. They say workers are being cut back, administration is not, and they haven't got the staff to do the job that should be done. I will leave it at that, but that is the information that has been communicated to me.

Hon. W. Newman: I won't leave it at that because I really believe that the expertise required is not always readily available. I would like to say that we do replacements as quickly as possible. It is not always easy to get the right man for the right job. Let me give an example—I may have used this the other night, I don't know—in our labs where we do lab work, we were primarily geared for farm animals, large animals. We have recently, basically doubled our fees for companion animal work in our labs. The reason being that we were getting behind, because we were getting more and more companion animals. Not that companion animals are not important. Private labs can do it, and maybe here will be more show up that can do it.

Our concern is to deal with the agricultural animals. Since we have doubled that fee, I understand—and I stand to be corrected—a great deal of the small animal work has been cut back, allowing more time for our pathologists to do work on the large animals. I must say some of our pathologists work Saturday morning—Saturday afternoon in emergencies. Again, I am very proud of the kind of work they are doing.

Mr. G. I. Miller: I am not criticizing the kind of work that is being done. I am criticizing the cutback and the cutback in expenditures, particularly in agriculture. I would like to point out to you, too, Mr. Minister, that Art Loughton—I think he is the director at the research centre there, the horticulture station at Simcoe—addressed the graduates of Fanshawe College at the last graduation at the James N. Allen campus—a name that should ring a bell to many on that side of the House—

Hon. W. Newman: I would hope you would remember him.

Mr. G. I. Miller: He is well remembered and well respected, I might add.

Mr. Loughton indicated, I think the figures were 130,000 acres of horticultural crops. I don't have a copy of his speech, but this is a tremendous field and a tremendous area for expansion. Our area is well equipped to deal with it. We have to be very concerned about cutbacks and I think the minister has to—I know it is not easy. It is like you were saying about the feds and cutbacks there. I think the Minister of Agriculture and Food has done a tremendous job, but when you're working against 95 per cent urban-oriented people it's a difficult job to stand up and get the money required to make agriculture really work. The members of this party want to support that, particularly the ones who are here tonight.

Hon. W. Newman: May I just say this about financing horticultural work, and I say it in all sincerity, I give the federation credit, but I'm going to give myself some credit. I got into the ministry about three and a half years ago and I didn't know too much about tariffs. As a matter of fact, I wasn't that familiar with tariffs until a couple of things came up one day. One thing led to another and I really got deeply involved in tariffs.

The whole horticultural industry in Canada, but primarily in Ontario which is the biggest horticultural area in Canada, has been absolutely neglected. We've been trading it off for typewriters to Australia. I could go on and on and on. The horticultural industry has suffered as a result of that.

The farm organizations as well as the ministry with the support of all parties, I believe, have hammered away at getting a better tariff structure.

We have a better tariff structure supposedly coming. It's not as good as the tariff board recommended and not as good as the various commodity boards asked for, but at least it's a step in the right direction. We went from cents per pound, which was an antiquated system that was brought in in the thirties, to percentages. In most instances, we are into percentages now, which is a good move. I'm not saying that all the changes are going to help us that much but a lot of them will.

When the various people who are involved are brought in place and when the opportunity is there for the horticultural products to be produced here in Ontario for import replacements and it is economically viable, we will have the people there and we will have the product there to do that. We grow a lot of other crops too, like soya beans. I could go on and on and on. I realize we have a very diversified area. When we can get into the horticultural industry and get the proper tariff structure in place, at least we can do some long-range planning because it will be 10 years probably before we get into another round of tariff negotiations.

What we don't know at this point in time is what tradeoffs may have been made because they haven't yet been made public. That is what worries me. Those figures will have to come out sooner or later. I don't know right now what tradeoffs there may be on other commodities, and that does concern me. If the tariff structure on horticultural projects is done right, if we can deal with companies and deal with this fund that the Treasurer has, I think that the horticultural industry in this province has unlimited potential. I sincerely believe that.

As that area grows so will our ministry have to grow to deal with it because of the research that we're doing. As Mr. MacDonald said—and I would have to agree with him—if we want to spend the time on estimates, then we've got other matters to deal

with in the committee as well. But if you want to go over to Vineland, I'm sure we can arrange it. I've been there. Anybody who wants to should see the research we're doing in Vineland and Simcoe. We do co-operate in research with the government of Canada and we have a very good working relationship as far as research is concerned. We have great potential.

Mr. McKessock: Why do you say it would be 10 years?

Hon. W. Newman: The last round was the Kennedy round. This is what they call the Tokyo round. Before they get around to it again, it usually averages about 10 or 12 years, before they get into another round on tariff negotiations, unless one makes some bilateral arrangements with a particular country. You can do that or you can pass laws, like the beef import law. There's nothing to stop Canada from doing that. I'm talking about the tariff structure. All the trading countries are involved in these negotiations, Japan and all the big countries. Normally it's 10 years. The Kennedy round went on for two or three years and it's been about 10 years since the Kennedy round was done.

Mr. Lantz: It could be 20 years.

Mr. G. I. Miller: I'm not finished, Mr. Chairman. I just want to point out one other thing too. We do have a 15-cent difference on the dollar this year. That's a tariff in itself.

Hon. W. Newman: But you can't count on that in the long range.

Mr. G. I. Miller: No, but you can in 1979. That is right at the present time, at least anyway. It very well could be up for the remainder of the year. Who knows?

Mr. Chairman: You can finish tomorrow, Mr. Miller.

Mr. G. I. Miller: I would not like to give up my place.

Mr. Chairman: We will meet at 10 o'clock tomorrow morning.

The committee adjourned at 10:30 p.m.

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 Johnson, J. (Wellington-Dufferin-Peel PC)
 MacDonald, D. C. (York South NDP)
 Mancini, R. (Essex South L.)
 McGuigan, J. (Kent-Elgin L.)
 McKessock, R. (Grey L.)
 Miller, G. I. (Haldimand-Norfolk L.)
 Newman, Hon. W.; Minister of Agriculture and Food (Durham-York PC)
 Riddell, J. K. (Huron-Middlesex L.)
 Ruston, R. F. (Essex North L.)
 Villeneuve, O. F.; Chairman (Stormont-Dundas-Glengarry PC)
 Watson, A. N. (Chatham-Kent PC)
 Wildman, B. (Algoma NDP)

From the Ministry of Agriculture and Food:

Doyle, W. V., Assistant Deputy Minister, Marketing Division
 Lantz, K., Deputy Minister
 Rennie, Dr. J. C., Assistant Deputy Minister, Education, Research and Special Services Division



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Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Wednesday, May 16, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, MAY 16, 1979

The committee met at 10:15 a.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Chairman: There is not a sufficient number of members here to start, but I will declare the meeting open. Mr. Miller, you closed off last night; so we'll give you an opportunity to finish your remarks first.

On vote 1901, ministry administration program:

Mr. G. I. Miller: Mr. Chairman, there are a couple of things I would like to discuss this morning. One in particular is the peanut industry. Maybe the minister could bring us up to date on how it is progressing. There was to be a grant provided from the Ontario Development Corporation last year to build a processing facility and prepare farmers for harvest in 1979. I wonder if he could bring us up to date on what kind of production they had in 1978 and how he sees the future for peanut production in Ontario.

Hon. W. Newman: Originally there was a group of people who were very interested in setting up a processing plant and they came to see us with some proposals. The Ontario Development Corporation is involved and is now waiting for some information from the UPC people to complete it. Dr. Rennie has been involved in the negotiations on this.

Since then we have had two other companies come forward. It would be unfair to mention the two companies, but there have been discussions with our people and with ODC people. We are also looking at the potential use of the new Employment Development Fund. Actually, there are four people altogether. One group wants money and I am not sure if another group needs any money. Of course, they will take it if they can get it. Production yields were good in 1978. In some areas there were very high yields; they were away above average.

Mr. G. I. Miller: How many acres were planted?

Hon. W. Newman: Twenty acres were planted in 1978.

Mr. G. I. Miller: On a commercial basis?

Hon. W. Newman: Basically on an experimental basis. But we have been running these tests now for some time, and they run up to about two tons, some of them. Now that is exceptionally high, I know, but—

Dr. Rennie: Over 2,000 pounds.

Hon. W. Newman: Well, up to 3,000 pounds; so it's one and a half tons, I guess. I am talking about the old tons; not the metric tons. I was very optimistic last year, and I am still optimistic about the industry. I am certainly very pleased with the tremendous amount of interest being shown by these other companies.

There was a group in two weeks ago. Apparently there is another group coming in tomorrow. There is another group next week. So at least we have generated a lot of interest in it by different groups. What we are concerned about is the original presentation. ODC has asked for further financial comments, I guess, from the original group. They felt not enough basic dollars were being put in by the group involved.

I can tell you that some of these companies coming forward are well financed, and put up their share of it. We also will be discussing with the Ministry of Industry and Tourism, which is the lead ministry for Frank Miller's fund, the possibility of using that fund, which we feel might be even more beneficial than the ODC fund per se.

Certainly I realize that, if there is going to be an industry next year, things have to move along. But, by the same token, we can't keep anybody else out that wants to get in. We are still doing research; we are putting in \$75,000 this year if the Agricultural Research Institute of Ontario feels it's worthwhile. They only finance for so many years, and then they stop. They are putting in another \$60,000 this year.

We think there is a viable industry that can be developed, and it's a matter of who is going to do it. I wish I could tell you the companies' names. I guess they want them kept confidential too, at present.

In fairness to the various companies that have come to see us—as I say, one was in last week and we had a letter from another one, which I guess is coming in the following week; also, the original group is still

very interested in the peanut industry—I must respect their confidence.

Mr. G. I. Miller: What kind of acreage are they planning for 1979 then? Do you have any details on that?

Hon. W. Newman: No. Let's be honest: We don't anticipate the plant will be built and in operation by this fall. We are probably talking about something like the same acreage, I believe, as there was last year.

I hope a decision can be made with one of these companies; I personally don't care which company it is, as long as it meets the requirements and can get on with the job.

They have certain doubts in their minds, and they have done some thorough analysis of it—some of the companies have done a tremendous amount of work on this. But last year at this time, we were talking only to one company; now we are talking about four companies.

Mr. G. I. Miller: Are there any processing facilities? What happened to the peanuts last year? Are they being put on the Ontario market?

Hon. W. Newman: There were only 20 acres of peanuts last year. I would assume that, by and large, that just on the research, probably there were a few of them. They were roasted, packaged and so forth. If we have a few around, maybe before the estimates are over we should bring them down and let you try them, if you have not tried Ontario peanuts.

Mr. G. I. Miller: I have had the opportunity of trying them, because they are grown in our area. I just wonder how much we are promoting them, because I think we did make a commitment, both federally and provincially, did we not, to the industry?

Hon. W. Newman: Listen, I have never changed my mind. It's a matter that, when the original group came forward, there was the financing and a few other things that ODC were concerned about. I believe that it's at this point in time that they are waiting to hear back from, is it United Protein? The ODC are waiting to hear back from them on the overall financial prospects of it.

In the peanut industry you can build a plant costing from about \$1 million up to \$3 million, and I suppose this is one of the situations they are looking at. There is one company that has a process in its plant right now and, with modifications, its equipment could actually process peanuts. They haven't come in as yet, but I know they have written to me.

Mr. G. I. Miller: I would think anybody building a new industry would have to make sure the potential is there for some products.

Hon. W. Newman: Sure. They have also got to be certain that they are going to make a return on their investment too.

Mr. G. I. Miller: I understand that.

Hon. W. Newman: Certainly. I am quite sure. We have had a lot of inquiries, I should say, by way of letters to me and to the ministry, from growers who would like to grow peanuts.

Mr. G. I. Miller: It does look favourable.

Hon. W. Newman: I think the producers will be there once we can get a plant in place. There are facilities already, of course, for grinding up, or whatever it is you do to peanuts, and putting them in the jars. This is a basic processing plant for the peanuts that we are talking about.

Mr. G. I. Miller: There is one other question I would like to follow up on a little bit—Donald MacDonald mentioned it last night—and that is about the harbour facilities at Port Colborne. You indicated that you did support it and there won't be a decision until June 15.

Hon. W. Newman: That is right. I think it is June 15 or June 16 but, whatever it is, one of those dates.

Mr. G. I. Miller: And you indicated you were supporting the group that was put together, the co-op and the—

Hon. W. Newman: The Canadian group, yes.

Mr. G. I. Miller: There were many members in our caucus who supported it and also wrote in support of it, such as my colleagues Ray Haggerty, Jim McGuigan, Jack Riddell, as well as myself; perhaps some more.

It was brought to our attention last year as they were loading a boat for export on the Seaway while we were there, that the particular boat was only able to take on 400,000 bushels of corn although it had a capacity of one million bushels. Unfortunately, the waterway was not deep enough to handle the boat; so they could only load a portion there, and they had to go down the St. Lawrence to finish loading.

The information we received when we toured the facility was that it was a money-making venture—one of the few federal government ventures that was making money. Therefore, if it's making a profit, I can't understand why they wouldn't improve that facility and put that money back in. Again, if they could have fully loaded the boat

here it would have meant, I think, 10 cents a bushel more could have been generated for the corn.

This is an area you should be aware of, and speaking out on behalf of the producers of Ontario, to improve that facility so that we can have access to the Seaway and the export markets in order that we can bring a better return to the producers in southern Ontario.

Hon. W. Newman: There are several problems there. One major problem—and somebody just confirmed it by sending me a note here—is that the elevator is based in solid rock and it just can't be deepened there.

Mr. G. I. Miller: It can't be deepened?

Hon. W. Newman: It cannot.

Mr. G. I. Miller: Ontario Hydro deepened

Hon. W. Newman: If it could, I would be glad to pursue it. My understanding is that it is based on—

Mr. Haggerty: It can be deepened, because the whole channel had been deepened in the reconstruction of the Welland Canal.

Hon. W. Newman: But the elevator itself is based on solid rock.

Mr. Haggerty: The National Harbours Board elevator; that's right. Then there is the Maple Leaf Milling Company to the east of it, and they deepened the channel there when they deepened the whole harbour out there; so it is sitting on rock too. It can be deepened.

At that time they looked at the matter of bringing the upper lake freighters down. One time they used to come in and transport the grain from Thunder Bay to the elevators at Port Colborne harbour. From there it went by canal boats until the canalway was deepened and the St. Lawrence Seaway was opened some 20 years ago. It permits the larger freighters now to go from the Lakehead right on down to Montreal. This is an elevator that was used for transfer at one time but now, since the Seaway, there may be some advantages to the harbour of Port Colborne.

They are celebrating the 150th anniversary of the Welland Canal, and it could be an area that could be improved for bringing in foreign vessels for the transfer of corn grown in southern Ontario.

Hon. W. Newman: You are aware that CO has an elevator at Windsor and that there is a 27-foot depth draught there?

Mr. Haggerty: That is the new elevator. It, again, the transportation costs—

Hon. W. Newman: I appreciate that. I am not an expert on rock, but I do know the elevator is sitting on solid rock. I gathered that if you start frigging with solid rock you are probably going to damage your elevators. I don't know; I am not an expert.

Mr. Haggerty: I think there is about a 21-foot draught there, whereas they require about 28 or 30 feet.

Hon. W. Newman: We will certainly listen. I am not an expert on blasting rock and deepening the harbour where the elevators sit and whether damage would be incurred, but we will look into it and get back to you. We will make a note of that and get back to you and let you know.

In the meantime, of course, if the Canadian group doesn't get it—

Mr. G. I. Miller: Mr. Minister, I wanted to bring that to your attention. I am not an expert on that aspect of it either, but I can see the potential there if it is feasible. I wanted to make you aware of it, because we did have the opportunity of seeing it in working condition.

The second question in the same regard is about the elevators at Prescott. I think they were put up for tender also. What is the position on them? Do you have any information?

Hon. W. Newman: I don't have any information at all on the ones at Prescott. I know they were put up for tender by the feds, but I am not exactly sure what happened there.

Mr. G. I. Miller: Is there any need for exerting pressure from eastern Ontario?

Hon. W. Newman: I don't think there was any Canadian consortium put together or packaged. But apparently Goderich Elevators, which is basically Canadian-owned, has put in a plan for those also.

Mr. G. I. Miller: Is it utilized for eastern Ontario export, or more for storage?

Hon. W. Newman: It is used for storage and, of course, for export, but mainly for storage, I gather. We export a tremendous amount of corn, as you well know, to Quebec and the Maritimes; that is our big export market for corn right now.

Mr. G. I. Miller: Is it exported from eastern Ontario? Are they an importing area? In discussion this morning, I thought maybe it was more importing.

Hon. W. Newman: Corn is one of the major products which, if they will stop frigging around out west, is highly competitive. We export to eastern Canada. Here is one of the areas where we have a problem, to give

you a small example. We would like to become self-sufficient in soybeans in Ontario—and we are rapidly approaching that point—but now there is a federal government subsidy coming in on rapeseed oil which is going to put rapeseed oil into Ontario cheaper than soybean oil, which is ridiculous. We are struggling away in Ontario to try to become self-sufficient in the soybean industry—which we can, without any trouble—so we don't have to import. Then they get a federal subsidy on the rapeseed oil coming in from western Canada which undercuts the price of soybean oil.

We have already sent a Telex off and said: "What the heck is going on here? We are trying to be self-sufficient in soybeans here—we can grow them here—and you are going to subsidize rapeseed." I believe I am correct in saying the provincial government out there has got into the act too and is helping to subsidize the rapeseed oil coming down. I am not exactly sure of that, but I know there is federal assistance to ship rapeseed oil to Ontario to undercut our own soybean oil prices. It doesn't make sense to me.

Mr. Haggerty: There is a good market for soybeans in Europe, though, isn't there?

Hon. W. Newman: That is right. But, you see, we are not even self-sufficient yet; and if we are working towards self-sufficiency in Ontario for soybeans, it gets a little discouraging if they are going to subsidize the rapeseed oil. As the heading in one of the papers said, we're being raped—talking about rapeseed oil.

Mr. Haggerty: As one of my colleagues from Niagara Falls would say, "There is no such thing as rape; it's just a poor salesman." [10:30]

Mr. G. I. Miller: There is only one other area that I am concerned about, the export markets. I noticed in the Monday, May 14 Toronto Star that it is official that 960 million people live in China. That has to be quite a potential market. I wonder if we have exploited that.

Hon. W. Newman: Primarily, of course, the main export to China has been wheat. As I said earlier on, a lot of people in other parts of the world, believe it or not, think that all we grow here is hard wheat. China has been a good market for wheat, but I think China has all kinds of potential for other agricultural commodities. As I also said, if I could take one mission, I certainly would be very interested in taking a mission into China.

Mr. MacDonald: Will you take the opposition critics along with you?

Hon. W. Newman: You can take my place if you like. You people think those trips are great, but they're a pretty grinding thing.

Mr. MacDonald: I'll come along.

Hon. W. Newman: No, you can head the mission for me, if you like.

Certainly we do export to Korea. We also may be exporting to other countries. Business is business. I think a certain country called Taiwan would like to buy some agricultural products; I'm not sure. If they want to buy them, we're prepared to sell them commodities.

Mr. G. I. Miller: Mr. Minister, I just want to finish up with the fact that I believe strongly that agriculture can play a tremendous role in our economy. We have been critical of you in terms of, for example, the Glanbrook dump site being proposed in a good agricultural area. I have asked before whether you have any input in that connection, because it's taking perhaps 450 acres out of potential good agricultural production and it can affect the future.

Why shouldn't we be recycling abandoned quarries and using them for waste disposal rather than taking good agricultural land? I think that's where our future is. When you have a nation such as China, with almost a billion people, and with these boats loading up with Vietnamese refugees and trying to get away from that highly populated area, I think the potential is there. We have to be aware of that and try to meet the needs of the world food market. That's the reason we have been critical.

I know you're trying to represent Ontario well but, as opposition members, we're trying to point this out in the best interests of everyone in Ontario.

Hon. W. Newman: I don't deny that China is a great potential market; there's no doubt about it. They are not members of GATT, as you know, and therefore there is some restriction. But in terms of the countries we have been concentrating on, for instance in Japan we've made tremendous progress there we have been zeroing in on Japan. In addition, as I think I mentioned in my opening statement, we now have a full-time man in the United Kingdom who will be covering all of eastern Europe and the European Economic Community for agricultural exports. He has just been over to Canada for the past two weeks getting fully briefed on the issues, and he knows agriculture well; he will be our full-time man in the UK.

We intend to put a full-time man in Japan. Even with the restrictions that we have, that's how much importance we put on the

exports. We also hope this man from Japan will work the Pacific Rim. That sounds like a lot of work for one man, but I must say we do co-operate too with the Department of Industry, Trade and Commerce as far as various missions are concerned.

As far as China is concerned, we are well aware of the market there and we're doing some exploratory work on it. If I had time, I would like to take a trip there myself, because I think the potential is there. Whether I will or not, I don't know. I guess it will depend on what you fellows want to do this fall, or whatever may happen this fall.

Mr. G. I. Miller: Don't look at us. We're just trying to run Ontario in a responsible manner.

Mr. Havrot: What's wrong with it now? It's being run very responsibly.

Mr. G. I. Miller: I think we've had a considerable input, and we'd like to take a little credit for it. We want to be constructive.

Mr. Havrot: I agree. We want nothing but cash—no credit.

Hon. W. Newman: I might just point out something interesting to you. You speak of Hong Kong and everybody coming into Hong Kong, but we do have sales to Hong Kong. I think we sold them some tobacco and a few other things last year. You think when it comes from Hong Kong it's cheaper than here, but we do have a bit of a market there.

We have a good market in Japan. I don't have the total figures, but they're increasing rapidly. We're also getting a lot of missions coming over from Japan to Toronto.

Mr. G. I. Miller: Speaking of tours—Donald MacDonald mentioned the tour he would like to take—the Minister of Education (Miss Stephenson) just got back from a tour of China. While I was discussing it with her, she mentioned she has pictures she would like to show to some of the members some time. She indicated that in my discussion with her. Maybe that would be very useful to the members of the Legislature.

Hon. W. Newman: You might be interested to know that last year we, in Ontario, sold more than \$40 million worth of agricultural products to Japan.

Mr. G. I. Miller: Forty million dollars' worth?

Hon. W. Newman: Forty million dollars' worth to Japan from basically a very small start. I don't take all the credit for that, because the hog producers and others have all worked their heads off. We sold them edible soybeans. They're now buying pro-

cessed grocery products. Six representatives of large chain stores in Japan were over this year buying commodities for the Japanese market. We think we've made great inroads there.

Certainly we realize China has a great potential; it's just a matter of trying to develop it.

Mr. G. I. Miller: I think there was smelt out of Lake Erie, from Port Dover, included in that. I know that market has really expanded, particularly in the last three years, and that is good too.

Hon. W. Newman: As the years go by, there is going to be a world shortage of protein, and there's no better source than fish.

Mr. G. I. Miller: I'm well aware of that, and I know you are too.

Hon. W. Newman: Can I just give you one more fact? There are 35 grocery buyers coming from Japan this June; so this gives you some idea of how the business is expanding.

Mr. Haggerty: I have two short points I want to bring to the attention of the minister relating to a well-balanced agricultural policy. My comments will be directed to policy. I have a letter here—and I think there was a copy addressed to the minister—from Claybank Farms, Stevensville, Ontario. It is addressed to the Premier. It says:

"Dear Sir:

"My two sons and I own 400 acres in the Niagara district and rent 200 acres of land adjoining it. This rented land is owned by a family in Germany, and they have asked us to pay the taxes as well as the rent money.

"Our agricultural representative told us we could get our tax rebate and sent us the 1978 farm tax reduction program form"—and he gives the number 74-105—"which states you are eligible (a) if you reside in Ontario, (b) if you own property which is assessed as farm property for the 1978 taxation year, (c) if the property is now used, by itself or together with other properties owned and/or leased by you, to produce farm products valued at \$4,000 or more in a normal production year, (d) if at least 50 per cent of your 1978 municipal taxes have been paid, and (e) if you are prepared to certify that you have met all of the above requirements."

He goes on to say:

"We wrote to the subsidies branch of Inter-governmental Affairs, 56 Wellesley Street West, Toronto, for an application form for farm tax rebate. It has been denied and, after conversation with them by phone, they still refuse to send it because we rent the land.

"Yours truly,
 "Howard J. Fretz and Sons,
 "Fort Erie, Ontario."

I think my colleague, the member for Huron-Middlesex (Mr. Riddell), mentioned the matter of agricultural land disappearing from Canadian ownership to foreigners. In this area we have a person who rents the land and pays the taxes, then makes an inquiry to get a tax rebate on the rented land and he is denied it. What is the policy of your ministry in this area?

Hon. W. Newman: We went into foreign ownership at some length the other night. I will go back into it if you would like but, in what you are talking about here, if they are not Ontario residents they cannot get the farm tax rebate. That is our policy.

Mr. Riddell: But what about the person who leases it?

Hon. W. Newman: He can't get it either. It is always the owner who applies for the farm tax rebate.

I give this as a personal example: I have one farm I have rented out, and the fellow who rents it from me cannot apply for the farm tax rebate; I have to apply for it.

First, it has to be the owner who applies for it and, second, if he is not a resident of Ontario he is not entitled to the farm tax reduction.

Mr. Haggerty: Based on this policy then, we could see more land disappearing for farming purposes from Ontario farmers in this instance.

Mr. MacDonald: Conversely, more of it might go to foreign hands if the person who leases it can get the rebate.

Mr. Haggerty: I don't think the rebates should pass on to anyone except the person who is renting and farming the land for agricultural purposes.

Mr. MacDonald: But it would be juggled along with the rental.

Mr. Haggerty: But it's a problem there—

Mr. MacDonald: You can't have it both ways.

Mr. Haggerty: Jack raises a point there. I think consideration should be given, but there is a point there regardless of which way you look at it. I know there are a couple of other persons in that area who are renting farms that have been bought by German people. I was just wondering if we should be looking for some government policy in this area. It is located in the westerly part of the town of Fort Erie and it is all land for agricultural purposes. I can see this land eventually being taken out of production and used for urban development.

There are other areas in the town of Fort Erie where I have noticed large acreages of land—I am talking about 100-acre blocks—with a red sign that says the owners have applied for land severances. They want to see development in that area of two-acre estate homes. Almost in this neighbourhood you will find intensive farming operations there.

I suggest you should have more input through your staff, say within the former county of Welland, the area of Niagara South. Maybe there should be some objections raised where there is an application to sever a 100-acre block of land.

In this area there are a number of farmers. As soon as there is urban development there, you will get more complaints of the type: "The minute an area becomes a town or a city, they seem to forget about the rural people in it." Many councils look for one thing, and that is to urbanize it. I would suggest that we should be protecting that farm land.

Hon. W. Newman: I don't know specifically about this instance, because I get so many of them coming across my desk. But you have mentioned two-acre estate type homes. In our Foodland guidelines, we recommend very strongly against that. Therefore, we would recommend against it to the Minister of Housing when there was a zoning application coming through. Two acres really is a waste. To go back many years and look at the 10-acre parcels around the province—or parcels of nine or nine and a half acres—many are growing weeds.

Mr. Haggerty: In many municipalities within the Niagara region, there is ample room there for in-filling in subdivisions that have not been completely filled.

[10:45]

Hon. W. Newman: I would say to you, Ray, what I said the other night to the other members here—I will just run over it very quickly. Any official plan changes, zoning changes or official plans coming into the Minister of Housing are circulated to our ministry and we send back comments. As I said the other night, more people are calling me than are calling the Minister of Housing and complaining that we are stopping them from developing. That would indicate to me the Foodland guidelines are working fairly effectively.

Believe me, I try to shoot them back to the Minister of Housing, but I get people calling all the time. I have lawyers writing me letters on behalf of their clients, and I have other people coming in. As far as I am concerned there has to be justification; unless

somebody can justify to the Minister of Housing and to ourselves, it won't proceed. We can't stop the world, I say, but there has to be justification.

There is a case in a certain county right now of a fairly large development to which we have said no. I won't say the owner threatened me, but certainly he has been rather vociferous on the matter. However, we feel there has been no justification for it at this time; we have told the Minister of Housing that, and he has not approved it. That's only one, and we get these all the time.

Vern Spencer in our food land development branch and the people there do an excellent job. They are not here right now because they are upstairs discussing a couple of subdivisions with the Minister of Housing. I was at the meeting too, but I had to leave the meeting to come down here.

Mr. Haggerty: I think this is one of the difficulties the Ontario Federation of Agriculture is facing. I know you received their brief as did our caucus, and that was one of the points they raised. It's getting to the stage now in farming where they can't do this and they can't do that. People are almost putting a halt to farming operations in Ontario. I suggest there have to be some protective measures whereby a farmer can continue to operate his farm.

Hon. W. Newman: The code of practice is large, though it is being revised, does give some protection to farmers.

Mr. Riddell: It is being revised again?

Hon. W. Newman: Yes, by the federation of agriculture, the Ministry of the Environment and ourselves. They have had two or three meetings in which they were looking at the code of practice, because there have been some difficulties with farmers who want to expand in a nearby town or hamlet. That's one of the things we are trying to resolve, to make it a little more protective for the farmer. When it was revised last time all three parties agreed to it. We also have agreed now that they should be looked at again because of complaints we have had from farmers who have had problems. The whole idea was to protect the farmer; not to hinder him.

I think what you are referring to—and I have talked about it before—is that maybe her legislation has been passed. For instance, a municipality—perhaps it's semi-urban—maybe it is urban with a rural component might pass a noise bylaw which would stop farmers from drying their corn or working their tractors at night. We have had pretty

good co-operation with municipalities in such cases.

There have been some problems. There is no doubt about it. The president of the federation of agriculture, I believe, has a neighbour—I don't know where this stands at the present time—who has a continuous corn dryer. I think it's a cold-air corn dryer, although I am not exactly sure. But these are the sorts of things we are concerned about.

I think Mr. McNeil even brought a resolution before the House that was debated and carried. It said people must put up with dust, dirt and everything else that is considered normal farming practice. But apparently, even though you would pass legislation, it would not hold up in the courts, according to the Attorney General. Everybody has a right to sue anybody they want to sue any time for whatever reason they decide they want to do it. Maybe we have too many lawyers around; I don't know.

Mr. McKessock: Maybe there is something wrong with the courts if you couldn't pass a law like that and make it stick.

Hon. W. Newman: You are taking away basic human rights of an individual. For instance, if I were a city person living on a corner lot and legislation said I had to put up with normal agricultural practices and some animosity built up between me and the farmer who is farming beside me—and I can think of a case where this was exactly what did happen, where the fellow had an outside cattle feeder in the summertime. He moved it down to the fence, right beside this fellow's house, where all the cattle came down to feed.

Mr. MacDonald: That was provocative.

Hon. W. Newman: Yes, it certainly was provocative. He was up in court, but I don't know what the final outcome of it was.

Mr. MacDonald: Ray, can I ask a supplementary?

Mr. Haggerty: Do you want to ask me?

Mr. MacDonald: No, not you; I'd be interested in your reply, but I'm more interested in the minister's.

I'm puzzled as to what input you have, or what your view is, on the Environmental Protection Act that is now before the House. Section 1 of that act repeals section 15 of the existing act, and section 15 of the existing act exempts the disposal of animal wastes on farm land. That's going to be wiped out—

Hon. W. Newman: That's right.

Mr. MacDonald: —which means that disposal of animal wastes on farm land will come under the new umbrella legislation, and it

seems to me that opens the door to a justification of a complaint against farmers. If we've now reached the point where on agriculturally zoned land it's going to be impossible for farmers to spread manure, or even to use artificial fertilizer, it seems to me we're really going in the wrong direction.

What's your view on the government legislation that is going to make it more difficult to dispose of animal wastes on agricultural land?

Hon. W. Newman: It's just had first reading in the House, has it not?

Mr. MacDonald: It got second reading yesterday.

Hon. W. Newman: Has it had second reading? Is it going to committee?

Mr. MacDonald: Yes.

Hon. W. Newman: Committee of the whole House?

Mr. MacDonald: I don't know where it's going, but I can assure you there's going to be an NDP amendment to strike out section 1.

Hon. W. Newman: I have had discussions—

Mr. MacDonald: But you lost out in the discussions. It's in the bill.

Hon. W. Newman: It's in the bill at this point.

Mr. MacDonald: Okay. We're with you again, Mr. Minister. When you're right, we're with you.

Mr. Riddell: What stand did you say you were taking on it?

Mr. MacDonald: He's having discussions.

Hon. W. Newman: I said I was having discussions.

Mr. MacDonald: It's another difference in the cabinet, in which he's lost at this point.

Hon. W. Newman: Oh, come on.

Mr. MacDonald: Well, you have; it's in the bill.

Mr. Riddell: I don't think you'd have any trouble getting support on your amendment.

Mr. Haggerty: It is a valid point, though. I read the letter from Claybank Farms. He's now running into this difficulty. It's in an area that's really agricultural. He's getting flack from one or two property owners who built out into the area there; he can't get out there and actually perform as a farmer and continue in this agricultural field. He's running into difficulties.

One of the areas he wants to get into is an intensive operation in the area of hogs. Now he's battling with the city fathers and

some residents in the area, and he's got an application before the Ontario Municipal Board to permit him to get into this type of operation. If it's handled right, there shouldn't be any problem at all.

Hon. W. Newman: With all the other discussions going on, I missed the first part of that, Ray.

Mr. Haggerty: I was relating more of the letter from Claybank Farms, which is one of the major farm operations in the town of Fort Erie. The owner is quite an exporter of Holstein cattle. One of his sons wants to get into intensive farming in the area of raising hogs. He has made applications to council to have an amendment made to the agricultural plan that they have so that he can change from an average farming operation to intensive farming. There are two particular areas that define agricultural policy and some have official plans.

Again, this is causing some hardships with a number of farmers who want to expand. As the member for York South mentioned, the amendment to the Environmental Assessment Act will cause difficulties for farmers in the agricultural industry of Ontario. You should be taking a close look at this to make sure that there is some change in this area because it will certainly put the farming community back, rather than moving forward, if you're looking for a balanced agricultural program in Ontario and for export trade to assist us with our trade balance.

I was also interested in the brief that was submitted to caucus by the United Co-operatives of Ontario. One of their main concerns was about the integrated farm system that is now coming forward very strongly, apparently, in Ontario.

Last February, I was in Washington at the time of the farmers' protest there; they had a massive protest, blocking off the streets going to the Capitol. Mr. Ruston and I had an opportunity to speak to the farmers, and their concern was that the average family farmer was being disposed of by the integrated system of corporations moving into the farming community. This was their main complaint, that the small farmer was being pushed aside and that there would be no more family farms in the United States.

You can see it coming in Ontario too. They are getting a strong hold now in the agricultural community. I suggest that the ministry should perhaps be looking at new policy in this area so that we don't lose the family farm operations in Ontario.

Hon. W. Newman: May I make a couple of comments regarding the US protes

marches? One of the things they are very envious of in the United States is our marketing board system, which was set up many years ago. I'm sure they wouldn't have had those protest marches in the United States had they had an orderly marketing system such as we have here. It isn't perfect, but it certainly has gone a long way, and I think that's one of their concerns.

Henry Ediger, the head of our Crop Insurance Commission, was invited by the head person in charge of agriculture in the United States to go and talk to them about crop insurance. Reports came back from the US that they were very interested in the kind of crop insurance program we have in Ontario, and certainly that they feel it's much better than their system. Each time they have a crop problem, one county may be declared a disaster area—excepting the floods, which we have here too—but they're very keenly interested in our crop insurance program and they think it's one of the finest in the world. If those farmers had crop insurance, it would be of some help to them.

You also mentioned the family farm. Nobody is more concerned about the family farm than I am and, as you know, Mr. Gordon Bennett, former deputy minister of this ministry, was given a two-year job to study the family farm and report back. I think he's been at it almost a year now, travelling around the province talking to agents and to representative family farm people. He will be making his report in about a year's time on the preservation of the family farm. He is doing some writing, and we had two or three discussions with him on it. He was in the United States at the invitation of a group that was meeting to discuss the family farm, and he let them know that we were doing here in Ontario. His remarks were very well received.

I'm concerned about the preservation of the family farm as much as anybody else is. I worry about the high degree of vertical integration that we may have in some other provinces. I don't think we have it in Ontario, because I think our marketing boards in many respects are the best defence against vertical integration. Marketing boards do a good job, by and large, although there are always a few problems to be sorted out. There is a high degree of vertical integration in the hog industry, for instance, in Quebec.

To give you an example, the chicken industry in the US is totally integrated. In Ontario it's less than 15 per cent integrated. That should give you some indication. That doesn't mean I'm not worried and I don't

want to preserve the family farm. That's why we set up the special study. I thought there was nobody more capable than Gordon Bennett, because he has been in the agricultural business since before he went to school and came to the ministry. He has had many years of experience. I am looking forward to his report, which is supposed to be ready in about a year's time.

[11:00]

Mr. G. I. Miller: Is integration on the increase, Mr. Minister? You say 15 per cent. How does that compare with say, five years ago?

Hon. W. Newman: It's staying pretty steady.

Mr. Riddell: Donald MacDonald raised a major concern on the part of those of us representing the farming industry, in connection with the amended Environmental Protection Act and the implications it may have for the farming industry.

I would think that if you were to sit down and have a serious discussion with the Minister of the Environment (Mr. Parrott) who, by the way, represents one of the best agricultural areas in the province, he could well come in with an amendment to exempt the farming industry from that part of the act. I don't want to pre-empt Donald MacDonald's amendment, but I would dearly love to see the minister come in with such an amendment to give the farmers the type of protection they need. Otherwise, I can see where every time they go out and spread manure on their land there could be someone in the town or village objecting.

I can use the area where I live as an example. There is the little town of Dashwood. On one side of it there is a large hog operation, and on the other side there is a large beef and turkey operation. There are times in Dashwood when you can hardly sit on your verandah because of the smell. But, by the same token, if this act is left as it is, I have a feeling that these farmers could be practically closed down.

Mr. MacDonald: It would be an open door to every lawyer to take the case of every so-called urbanite who doesn't like the smell. If he has a law to hang his case on, boy, you're in trouble. He has no law at the moment that permits an argument; the law may exempt the farmers.

Mr. Riddell: What act is it that the Ontario Federation of Agriculture was very adamant about? It was the Line Fences Act. They didn't want included a section that would place the sole responsibility on one owner for constructing or repairing a fence.

The minister has seen fit to amend that; I am thankful for that. I also think that if you had some pretty serious discussions with your colleague the Minister of the Environment, I am sure he would come in with an amendment that I don't think too many of us would have difficulty in supporting.

Getting back to the agricultural code of practice, I am glad that is being revised. Another situation we are running into is the case where a farmer has bought a farm to expand. He may not have any particular need for the house and barn; so he sells them to someone from the city who wants to come out and enjoy the country style of living. A farmer in this situation may want to construct a barn on that land but, under the existing code of practice, which many municipalities have incorporated into their planning processes, he has to stay so many feet away from that house, which in many cases means he is going to have to go into the middle of a field to construct the barn. Even though he has the permission of the person living in the house to construct the barn a reasonable distance away from the house, he can't do it.

Hon. W. Newman: Has the code been incorporated into the official plan?

Mr. Riddell: Yes, it has been. Many of the municipalities in my area have incorporated the code of practice into their official plans, and they are standing steadfast by that. The farmers are finding that, rather than putting the building where it should go, they have to move it into the middle of a field, which interrupts their farming.

Mr. MacDonald: Is that the barn referred to in the OFA annual brief? Where a farmer was denied the right to build a barn?

Mr. Riddell: That's not the one I am referring to.

Hon. W. Newman: That could be under the MDS formula—the minimum distance formula.

Mr. MacDonald: In Peter Hannam's introductory comments he refers to the "rights of farmers being breached to the point where a farmer now can't build a barn."

Hon. W. Newman: If the code has been incorporated in the plans of a municipality, it is possible. These are the kinds of things we want to try to correct, keeping in mind that we worked with the federation and the Ministry of the Environment to bring out that code. There have been some problems such as the one you are talking about now.

If the people who sold want to rebuild a barn, I think they were very foolish in the first place to sell the barn. I don't care who

knows it; I think they made a mistake. If I had sold my house and 10 acres, then wanted to turn around and build another house and start to farm on my own land, knowing what could very easily happen to me, I don't think I would sell my house.

Anyway, these people have. If that sort of thing could be dealt with by the code of practice, if you will give us the person's name quietly, I will have the people working on the code of practice take the case into consideration and see what can be done. We don't want to stop anybody from farming. The whole idea of the code of practice was to protect the farmer; then we changed it so that we could tell city people that, if they wanted to move within so many feet of a farm, it was tough bananas for you.

We realize that the code will have to be revised, and probably it will have to be revised again five years from now. It is being worked on. They have had two meetings already on it.

Mr. Riddell: I am pleased to hear that it is being revised. I must say this is new information for me.

Hon. W. Newman: I'm sorry; I should have made it known.

Mr. Riddell: Perhaps you did and I just didn't know it.

Following up on Mr. Haggerty's comments on the property tax reduction program, for the sake of consistency, shouldn't we be raising the gross income to \$8,000? I know it has been raised from \$2,000 to \$4,000; but, to be consistent with the farm productivity incentive program, should we not be looking at \$8,000 of gross income?

My reason for saying that is I know from my teaching days that teachers have gone out and bought 25 or 50 acres of land, and there may be a woodlot on that land. They can show that land, even by growing an extensive garden and perhaps selling some of the produce, that it wasn't too difficult to produce a \$2,000 crop on that farm—and I don't think it would be too difficult for them to show \$4,000. Yet I am not too sure these people are really entitled. I don't think they were the reason the property tax reduction program was brought into being, but they are certainly capitalizing on it.

For the sake of consistency, I am wondering whether we should be looking at a figure of \$8,000 for gross income.

Hon. W. Newman: This is not an easy one to come to grips with at any time. Certainly if you would support \$8,000, I would appreciate it. But I have to go on to explain that the farm productivity incentive program is

really for those people who want to farm seriously—to keep an active farm going. Therefore, it is set at \$8,000, which I think is a reasonable figure. The problem right now with that figure for this program is that there are people living in parts of Ontario who really want to farm but who might have to work off the farm until they get to a certain point. But in northern Ontario, for instance, a farmer might not be able to make a living from a 100-acre farm, or whatever size it might be. We might even have to look at that to see how that works.

Coming back to the farm tax reduction program going from \$2,000 to \$4,000 and why shouldn't it go to \$8,000 to be consistent: I have had quite a few letters already. I might say in passing, the number of applications coming in this year since we raised it to \$4,000 has dropped drastically. I can't give the exact figures, because they don't have to file them all at once—they have a period of time to file them—but it has dropped drastically. Actually, I think we came in a little under estimate last year, if I remember correctly—I don't have the exact figures in my head—by raising it to \$4,000. There have been a lot of complaints on the \$4,000.

One of the things you have to remember is this: There are a lot of, shall we say, semi-retired farmers—husbands and wives—living on their farms. That is their home; that is where they want to be. They may not be farming to any great extent, yet I have to feel sorry for those people. They have farmed hard all their lives, and they are living there on their farm. If you take that up to \$8,000 and deny them the farm tax reduction, you may just force them to sell their farm. That is a concern I have in some parts of the province.

In your part of the province, basically you have excellent climatic conditions and \$8,000 would be—I won't say nothing, but not as important as it would be in many other parts, as I am sure the member for Grey (Mr. McKessock) or somebody from the north or far eastern Ontario would tell you. If you raised it to \$8,000, you would actually catch a lot of bona fide farmers who are semi-retired, keeping a few cattle or keeping their own garden.

Mr. Riddell: I am sure somebody is farming that land, though, and producing to its maximum capacity. In many cases the retired couple will have said to their son: "We want to live here, but you go ahead and farm the land." The son is making the income. I am wondering if concessions couldn't be made for that retired couple, basing it on the fact that farm is definitely showing a gross income

of \$8,000, even though the retired farmer is only indirectly connected with the farming operation. Even if the guy goes out and operates a tractor, he is indirectly connected with that farming operation and that farm is showing an income of \$8,000. I don't think that is any particular hangup. I think concessions could be made for these people.

The doctors and dentists and lawyers have come out and picked up some land in the country to enjoy some country living. They might put some horses on there, and they can show where they can sell those foals from the quarter horses and they realize an income of \$4,000. Yet they are part and parcel of this program. I just don't think that is the intention.

Hon. W. Newman: It is not an easy thing to deal with. The farm productivity incentive program was different because it was to be an incentive to make the farm more productive; so it was set at \$8,000. I haven't seen any of the farm organizations suggesting that we raise the farm tax reduction from \$4,000.

As one travels across the province, one sees a lot of cases. For instance, there may be a farmer who had 100 acres way back when and sold off 50 acres to his neighbour so his neighbour could expand. He has 50 acres and a few cows. If he sells four or five or six calves a year, or even 10 calves, he wouldn't qualify. Yet to him that is his home and his livelihood.

You say you can pick him out as a specific instance. You might find somebody with 20 acres on the same basis. A fellow I know was a market gardener. He is now 82, and he is living on 15 acres. I know from personal experience he made a good living from it, but it got to be too much for him. He is still living in his home; he still has his 15 acres. There is no way, because he has stopped spraying his fruit trees and so forth, that he could make \$8,000. He has to struggle to make \$4,000 so he can get his farm tax reduction. Because of where he lives, his taxes are high; so he would have to give up his house and 15 acres and probably move to another house. He has lived there almost from day one. You say you can pick those people out, but it is not that simple.

[11:15]

Mr. Riddell: If you think the program is working without too much abuse, that's fine.

Hon. W. Newman: We do check it out; don't get me wrong. We do spot checks, mainly in the summer, when we get students to do it, but our people are always spot checking. Once you raise it to \$4,000 and

send out the new forms, the number of applications drops off considerably. I would gladly love to take it to \$8,000, but I think I can hurt some very legitimate people who are real farmers in this province. Where is that magic line? I don't know where it is. I have no way of knowing where that magic line is. But I agree with you: We want to stop that person. If they want to come out and enjoy the country and buy 10, 15 or 20 acres of land, they should pay their fair share of the taxes—especially if they've built a \$500,000 house on it—

Mr. Riddell: Absolutely.

Hon. W. Newman: —and have the rest mainly growing wheat. The idea was to try to stop this. We have tightened up. We have refused. I think word is getting around that even with the increase to \$4,000, we're still doing monitoring. We can't monitor every one, but word is getting around. It's amazing what the figures show. I wish we had them here. The number of applications we had in this year is lower. There have been about 10,000 fewer applications so far than the former average since it was changed to \$4,000. That doesn't necessarily mean there is going to be 10,000, because some people might apply late and we do allow them to go into the next year to apply. But, on average, they're down about 10,000. So I think we have eliminated a great deal of the kind of people you are talking about.

Mr. Riddell: We certainly appreciate the consideration that is given in many cases. I know there will be some people who will write to me and say they failed to file two years ago because the farmer was ill for the better part of the year and the wife was expected to look after the business and she failed to get the application in. I know, when I bring this to the attention of the ministry, they're always very good about seeing that the farmers get that rebate for the year in which they failed to apply. I really appreciate the consideration given.

Hon. W. Newman: We're going to have to tighten up on that too, because it throws our budgeting all out. We're trying to get people to get it in on time so we can do it within our fiscal year. When you run into the next fiscal year, it can hurt your overall budgeting. But we do have people who, through no fault of their own, do this. These things do happen.

Mr. Riddell: Moving on to another concern on the part of some farmers: The farmers to whom I'm referring at the present time are those who are still hoping they may get their final payment on the 1977 bean crop.

Back in March, I asked if you would exert a little pressure on your colleague the Attorney General (Mr. McMurtry) to see if he couldn't get the lawyers representing the dealers to move on these examinations for discovery. It seems to me they're postponed, they're postponed and they're postponed. What the dealers are doing now is using the bean situation as ammunition to turn growers away from starting a type of corn organization. They're saying to the farmers: "Take a look at your white bean board and what has happened there. Are you sure you want a corn board?" This is the kind of threat the dealers are making to the farmers.

Could you bring us up to date on the litigation between certain dealers and the white bean board and whether farmers might expect to receive some kind of a final payment for their 1977 crop?

Hon. W. Newman: I realize this is in the courts, and I'll try to word this in such a way that I don't get myself in trouble. I did speak to the Attorney General about getting the examination for discovery under way, and apparently they were trying to get—I'm not exactly sure of my figures, but I have a letter from the Attorney General somewhere in these files—they all together for an examination of discovery so that they could deal with it at one time.

Mr. Riddell: Is there some progress being made here?

Hon. W. Newman: My understanding was that minimal progress was being made, but they were going to try, without interfering with the courts and justice on the matter. Even before the end of the court action, I offered back in 1977 to meet with both sides to see if we could resolve it. That was before it got into the courts. Now it is in the courts. I offered to sit down and discuss it with them. There are those who would blame one group, there are those who would blame another group and there are those who would say that somebody shirked his responsibilities. There are all sides to the story. But I did offer to intervene.

Mr. Riddell: And neither side took you up on your offer?

Hon. W. Newman: Neither side took me up. I did offer back in 1977. I said, "Let's try to iron out this thing." They're now involved in what could be long procedures. They both want to go to court. They both think they're right.

Mr. MacDonald: Their lawyers wouldn't say anything.

Hon. W. Newman: Before they ever got to court, I offered to sit down with them. I

remember when it first came up. It was before the estimates of last year. The problem broke out in the fall of 1977. They got into problems in forward contracting back and forth overseas and as to whether they were going to accept the beans. I offered at that point in time to intervene. I've forgotten whether it was late 1977 or early 1978. Anyway, I offered to sit down with both sides to discuss it. This was just like the pull-out in the egg thing. Neither side accepted. They decided to go to court. I can't force people to sit down and negotiate.

Mr. Riddell: This has been somewhat detrimental to the bean industry. I was surprised to learn that a lot of the farmers who had previously grown white beans have cut their acreage a way back or are talking about getting out of the business completely. I'm not saying this is the entire reason for their giving up the bean production, but it's certainly part of the reason. I don't know whether your people could indicate to us what reduction we might expect this year in the production of white beans. I'm sure it has been reduced tremendously.

Hon. W. Newman: I can't give you the figures. I know it's down. I know soybeans are up. It's a matter of economics there, I gather. White beans are a little more tricky to handle than soybeans, and a lot of them have switched to soybeans. I talked to our representative in the United Kingdom only yesterday about the prospects for export sales of white beans. We used to share the market about 50-50 with Michigan. That would be a fair statement to make.

Perhaps our market in the UK this year will not be quite as big for two reasons. Our acreage is down and Michigan fulfilled its obligation in 1977 because it had beans in storage during the wet year we had here. If there is any forward contracting going on, I'm not really well aware of it at all. Somebody was saying there's no forward contracting, as you well know. I say supposedly there isn't, at least not that I know of. Let me put it that way.

The predictions are that white beans will be down about 25 per cent from last year.

Mr. Riddell: Is any assistance being granted by your ministry in promoting the bean crop to try to increase the consumption of beans? I know with fast-food outlets that beans just don't seem to lend themselves too well. It's my understanding that the consumption of beans is dropping. Is there any truth in that, and is there anything that you people are doing to help the industry promote sales?

Hon. W. Newman: We are quite willing to, through our Foodland Ontario program.

Originally—and I have just forgotten the total amount of our budget; it is \$1 million and something—the whole idea in the first year, because many of the boards were not doing any promotion per se, although some were, was that our program would help them pay for the promotion of their produce. They have to pay a portion, and we pay up to \$50,000 on a cost-sharing basis.

If the bean board came to us and said, "Look, we want to do a promotion on beans at such and such a time," we would be quite prepared to help them put together a program to promote beans. We might do it in conjunction with some other product.

We certainly did promotion at the Host Ex Show. This is our third year at the Host Ex Show, which is a restaurant show. We had a lot of favourable comments about the various agricultural products grown in Ontario, and a lot of restaurateurs were very interested. This was probably the best show we have had. There was more interest being shown in Ontario products. Beans were involved there.

We encourage the boards to get involved in promoting their own products so that five years down the road we can, as ministry, say, "Look, we will do an umbrella sort of promotion thing and you do your own individual thing." It's just taking time. Eleven boards were involved in the promotional programs last year; that gives you some idea. The pork board does its own, of course; they have the resources. So does the milk board. But 11 boards took part in our program last year, and that is more than half our boards. Gradually, more and more of them are getting involved and, of course, that is why you don't see so many of our own ads; we are spending more money to help the boards promote their products.

Mr. Riddell: What progress are we making now in connection with the formation of a corn marketing board? Where does that thing stand?

Hon. W. Newman: As you know, we have had ongoing discussions with the Ontario Federation of Agriculture. If I recall correctly, the man who was doing the negotiating—and I am probably going to need some help on this—was not doing it, and there is a new person doing it now. At this point in time, there are still discussions going on about the corn board vote. It does not look like we will have a vote until at least probably this fall when they get all the provisional details worked out. Maybe Bob McKay, who has been doing most of the work with the corn people and the OFA—they have had many discussions—would like

to fill us in on exactly where we are. That would be best, because he has all the details. He has been doing the work.

Mr. McKay: Our role in this is to assist them when they ask us for advice about how marketing plans have been established in the past. But there is a separate committee—separate from the OFA now, I gather—which is seeking support from various farm groups, other boards and so on. Max Ricker, who I just met a while ago, is the new chairman. I guess he is in your district, sir. He is very actively seeking people, like himself, who want to promote the corn plan. That is his role. He has documentation and a proposed marketing plan. Our role is to answer questions for him and to help in a general way. It is his job to put it before the people, and he has got the public target of next fall. Of course, he doesn't want to fall back, but he will reassess that as he sees the support coming or not coming.

Mr. MacDonald: Is this a volunteer ad hoc committee?

Mr. McKay: Yes, sir; that is the way all these marketing plans develop.

Mr. MacDonald: I realize that, but how did it come into being? Who sponsored it?

Hon. W. Newman: The federation circulated a petition and brought a petition with 1,500 names. That is what started the ball rolling.

Mr. MacDonald: The committee emerged from that original group?

Hon. W. Newman: Right.

Mr. G. I. Miller: How many producers are there in Ontario?

Hon. W. Newman: I don't know if there are 11,000 or 13,000; it's somewhere in that neighbourhood, I would think.

Mr. G. I. Miller: In that area?

Hon. W. Newman: In that ballpark, yes.

Mr. McKay: We thought the original petition was representative of 15 per cent.
[11:30]

Mr. Riddell: Are your people expert at all in predicting the corn market for this year? The reason I ask is that farmers are being offered \$3 a bushel now to sell their corn at harvest time off the fields, which isn't a bad kind of a deal.

Hon. W. Newman: Is that a wet or dry price?

Mr. Riddell: I would think it would be on a dry-weight basis. This indicates to me that there must be a pretty bright future for the corn producers, and I'm wondering what the reason is. Is there less corn being grown

in Ontario? Is there less corn being grown in the United States? How is it that these dealers can now be contracting at this particular time for corn at \$3 a bushel when we were darned lucky to get \$2.50 for it for last year?

Hon. W. Newman: You have asked the \$64-million question, but I'll take a stab at part of it. Corn production in the United States was higher, according to USCA figures last year than the year before. It was 6.4 billion bushels, I'm told.

So there was quite a bit of corn in the United States. We anticipated a bad market last fall, but it didn't turn out that way. Our corn production was, of course, down some in 1978 because we didn't have the ideal conditions we had in—was it up last year? What was our production last year? It varied. It was 140 million bushels, I think, the year before; I'm just going by memory. It was no major, significant amount. We have been exporting corn. Some went to Cuba—where else did we export corn to?

Mr. McKay: The United Kingdom.

Hon. W. Newman: And to the United Kingdom. Cuba would like to buy more, but that isn't any significant amount. There are people coming in here at the end of May who want to buy some corn. It's pretty hard to estimate what's in storage on farms. As you know a lot of farmers take advantage of the grain storage program; it's pretty hard to estimate but we are beginning to think that if we get many more big orders before the corn crop comes in there's not going to be very much corn left come harvest time.

However, as I say, we have no way of getting a firm hand on the amount that is there.

Why are prices up? I don't know. I suppose, by and large, beef prices are up. Hogs are down, I know. I don't know what's going to happen to the hog market eight months from now. It's one of those questions I really can't answer because, as far as I know, there's a fair amount of corn around, especially in the United States. Of course, there's a difference of eight cents a bushel coming in, and the differential in the dollar makes some difference; there's no doubt about that. But certainly the question of why corn is holding up is not one that I can answer easily.

Mr. G. I. Miller: Is there not a premium on crib-dried corn for processing by the St. Lawrence company? Are they not paying a premium of \$3.20 a bushel now for crib-dried?

Hon. W. Newman: I don't know. They could, for all I know.

Mr. G. I. Miller: I am sure they are. I think they are paying, as I indicated, as much as \$3.20 for crib-dried corn, which perhaps is a special program that we can gear some of the production to.

Hon. W. Newman: I can't answer that question on what they're paying, if they are paying a premium for crib-dried corn; otherwise, if they're willing to hold it until—

Mr. G. I. Miller: It has to be held to this time of year and marketed now, which is saving energy and creating a little more competition in the field.

Hon. W. Newman: There are the reasons that I gave you, I guess. Apparently there's a strong export market for corn, but I don't think that's made a major difference in the price.

Of course, there's a fair amount of competition among the elevators, as you know, because there's so much on-farm storage. The elevators are looking for corn for their elevators, and there's a bit of heavy competition going on between the elevators to make sure they get corn. I don't have the exact figures, but a tremendous amount of storage facilities have gone up on farms. I don't know the exact figures. You can drive around anywhere in this province—I don't care where—where they grow corn and you can see there's a tremendous amount of on-farm storage, which I think is good.

Mr. Riddell: It involves hedging against price competition this fall. That's why they're offering that price to try to get this corn.

Hon. W. Newman: It could be because a lot of farmers have the storage facilities. If I were growing corn—which I'm not, although I have the storage facilities—I would be hanging on to mine too.

Mr. Riddell: What impact will the corn sugar plants have on the industry in Ontario? Might we see an expansion in this particular type of processing to other parts of Ontario? Will there be American corn coming into these plants, or will they be dealing strictly with the corn that is grown here?

Hon. W. Newman: In talking to the big corn-sweetener company, Labatt-Redpath, I was very much involved in that. That almost didn't get into Ontario because of certain federal regulations. I felt we needed the plant here, and I supported it all the way. I won't go through all the details, but there was a lot of correspondence that went on. It was finally approved. When Labatt-Redpath gets to full capacity, it will be using about 10 million bushels of corn per year. It will be Ontario corn.

Mr. Riddell: They are required to use Ontario corn?

Hon. W. Newman: No. They are not required to. It's a private company. They are not required to but, by their location, I would assume they would be using Ontario corn.

Canada Starch is expanding too. I'm not sure what their total capacity of corn will be for making high-fructose sugar. With the capacity they have in the United States, they could have hurt us. It was an "iffy" situation. Now that things have changed here—not just the changing dollar but also other factors—they are going ahead with the project. It almost didn't get off the ground, I was very thankful when it was finally announced and it did get off the ground.

At full capacity, between 10 million and 12 million bushels of extra corn will be needed for these plants.

Mr. Riddell: Lastly—then I'll shut up and let somebody else carry on—did you get the progress report by the agricultural sectoral committee for southwestern Ontario? Did anybody else get it?

It says: "The agricultural sectoral committee is a committee of Indian farmers and other interested persons formed to develop an agricultural sectoral program for the reserves in southwestern Ontario. Basically, the purpose of the program is to provide the means and motivations for building a viable agricultural industry on the reserves."

Just to give you some idea of what their problem is and what assistance they're looking for, I will read from the first part of it: "It is generally acknowledged that the agricultural potential on the reserves far exceeds that which has been achieved to date. Considerable scope exists both for enlarging the agricultural base and for improving productivity. Typical of the factors that are inhibiting effective farming in varying degrees on the reserve are the following: severe drainage problems; inadequate facilities and equipment; poor roads; a need to upgrade farming skills and knowhow; and lack of capital."

"Positive action in these areas will, of course, have the beneficial effect of increasing incentive on the part of present and potential Indian farmers. Although financial and other assistance is available from various sources, including the Indian Economic Development Fund, normally it is provided at the request of individual farmers. The different forms of assistance are not co-ordinated, nor are they generally known to the potential recipients."

"Further, some of the problems, such as poor drainage and roads, affect all or part of

a reserve. In any event, experience has shown that this unstructured approach is not achieving the required results and that it should be replaced by an organized and co-ordinated approach."

I'm just wondering if your ministry is giving any consideration to this and seeing if there could be some kind of a co-ordinated approach to it?

Hon. W. Newman: I am told that Dick Heard, who is our area co-ordinator, wrote to the ministry. He is looking into it. I have not seen that report. We will co-operate wherever we can with these people. On the jurisdictional problem, I'm not sure which is federal and which is provincial, but we are prepared to co-operate through Dick Heard, who is our co-ordinator and a very knowledgeable fellow.

Mr. MacDonald: Prime Minister Trudeau has told you that ARDA projects are jointly arranged between the province and the federal government. Wouldn't this be a fit topic for discussion? Haven't you got an open door now?

Hon. W. Newman: An open door for what?

Mr. MacDonald: For a proposal that he can't refuse.

Hon. W. Newman: Well, he won't have a chance—but I won't get into that. I have just got a note that the report did not come to us; it went to the Department of Indian Affairs and Northern Development. We are quite prepared, through Dick Heard, to work through that department.

Mr. Riddell: Thank you, Mr. Minister, and thank you, Mr. Chairman, for your very kind indulgence.

Mr. McKessock: Mr. Minister, you were complaining a bit earlier about the subsidization of rapeseed oil. What is your ministry's policy on subsidization? From your past performance, I feel that you are against it—and I'm actually against it too—but it's like saying you're against rain: if it keeps raining, you've got to adjust to the wet weather.

When the provinces around us are subsidizing their farmers—the Maritimes, Quebec—you see what it is doing and where it is placing Ontario. The province that has been the highest producing province in Canada in a lot of areas is now falling behind.

Hon. W. Newman: Who's falling behind?

Mr. McKessock: We're falling behind as the largest producer of certain products in Canada. For instance, hogs in Quebec: In 1974, I believe, Quebec was 72 per cent self-sufficient in hog production; last year, in four years' time, they came up to 105 per cent

self-sufficiency. It's subsidization of their farmers that has caused this. Right now, if you're in Quebec and you want to get in the feedlot business, there's a \$20,000 grant waiting for you—and they've always had cheap interest.

It's all right for us to say we're against subsidization, but when these provinces subsidize their farmers like this it's very strong competition for us. The capital grants program in at least one of the Maritime provinces was raised to \$20,000 a few years ago.

With these things in mind, what is your ministry's policy to compete with this? Are we going to continue to let these other provinces move ahead of us, or are we going to give our farmers the same opportunity as those provinces give their farmers? I know there are some well-established farmers in Ontario who would be very much opposed to subsidization too, but you can see what it does in Quebec, and it would have the same effect in Ontario. You can keep us high in the production field or we can drop behind. What are your thoughts in this area?

Hon. W. Newman: First, I could cover the total estimates book. I am sure you are aware of the various programs we have—farm productivity, farm tax reduction—the specialists we have in the field and all the other programs we have in the ministry. I won't go into those for the moment.

Mr. MacDonald: Why do you and Mr. McKessock both say you're against subsidies when the whole program is cluttered or punctuated with subsidies?

Mr. McKessock: I don't call anything in this book subsidies; it's a very trivial thing.

Mr. MacDonald: A rose by any other name is still a rose.

Mr. McKessock: One and a half per cent of the budget to agriculture—where can you get a subsidy out of that?

Mr. MacDonald: Capital grants, production incentive programs, et cetera.

Mr. McKessock: Obviously you haven't been a farmer; the incentives there are very small.

Mr. MacDonald: I'm not objecting to them; I'm objecting to you perpetuating the mythology that you are opposed to subsidies and then, in the next breath, you ask for another one.

Mr. Riddell: Are you objecting to the farm income stabilization plan?

Hon. W. Newman: What about \$8.2 million? That's quite a chunk of dough for corn. Anyway, I'm sorry I interrupted.

Mr. Riddell: That was one year, Mr. Minister. Let's see how many years—

Hon. W. Newman: The farmers want it from the marketplace. They want the returns—

[11:45]

Mr. McKessock: What's your policy?

Hon. W. Newman: Let me just talk about it. I could talk about our capital grants program, farm tax reduction, stabilization, profit insurance and all our other programs.

You picked out a particular province; I think you said Quebec. The year before last they got \$160 million in total grants from the Department of Regional Economic Expansion, compared with \$20 million for all of Ontario. That gives you some indication of the kind of competition we are faced with.

Mr. McKessock: Did any of this DREE money go into production incentives in Agriculture and Food?

Hon. W. Newman: Sure. Also, I think one of the things I mentioned when I started out—and I had those figures here—was that there was money, for instance, for all those new buildings we built at our research centres. All our new facilities are paid for by the Ministry of Government Services; that runs into millions of dollars; in addition, \$2.6 million from the Ontario Development Corporation went into the agriculture processing industry. There are a lot of things that are not in this budget that we take advantage of from other ministries. We could juggle around.

Mr. McKessock: Of course, that is the same for other ministries. The Ministry of Government Services builds all government buildings; so you can't just say that—

Hon. W. Newman: That's right. I agree. That's what I am saying; it's a matter of how you do your bookkeeping. The way we do our bookkeeping, other ministries put money into the agricultural industry. There is the \$200-million fund which I talked about before. You talk about subsidization on the soybeans. We are so upset—apparently the soybean board have been in—that I have already sent a Telex or letter to Ottawa complaining about it. We are going with the soybean board to Ottawa—it says next week; I think next week might be a bad week, but it says about May 23.

Mr. Ruston: Governments still go on regardless of the elections.

Hon. W. Newman: That's right. But we are going down with the soybean board; that's how concerned we are about what is happening as far as rapeseed oil is con-

cerned. You say we are falling behind in hogs; we are even with Quebec in hogs, and we have a lot of hog producers in this province and not very much vertical integration. If I am correct, with a maximum of six companies you can draw in the total Quebec hog industry. It is a different situation here; we've got individual farmers basically growing the hogs here in Ontario. It's a big difference. The west did drop off in hog production because, I suppose, like anybody else, they can get a decent price for cash crops and don't have to be tied down seven days a week. Our exports of hogs to Japan, by the way, are equal or above last year, if I remember correctly.

As far as subsidization is concerned, I just think if you get into a war on subsidizing the transportation costs, which are of concern to us, you can get into some real problems. I certainly don't believe in it. We do get into disaster areas occasionally where we do it; I think we did subsidize the transportation of hay in northern Ontario and eastern Ontario when they had complete hay failures.

You also said we are falling behind. But our total sales in 1978, I think, were \$3.6 billion. They were up over the year before that. The value of sales at the farm gate was very close to that figure in Ontario; so we are not falling behind.

Mr. McKessock: I'm saying we are falling behind other provinces. We were the leading producer in a lot of items.

Hon. W. Newman: We were in pork. But, by the same token, Quebec has not advanced much in the last 10 years, while Ontario has continually advanced.

Mr. McKessock: In what?

Hon. W. Newman: In all agricultural production.

Mr. McKessock: Except hogs, you have to admit.

Hon. W. Newman: Okay, that's fine. But, as I say, six companies control the whole hog industry in Quebec. Let me tell you another thing: We have a distinct advantage here because they are buying our corn. It has been a tremendous market for our corn. It has spinoff effects too.

What else was it you asked? I made a note here, but I can't make out my own writing.

Mr. Riddell: After Clark gets in, when we get some of that Quebec milk quota back, we will even do better.

Hon. W. Newman: Hallelujah!

An hon. member: That's right.

Mr. Riddell: Are you going to give us some support on that?

Mr. Havrot: I'm glad to see you are so optimistic about our party getting in.

Mr. McKessock: I was disappointed in our new capital grants program, because I feel those provinces giving a \$20,000 capital grant will have their facilities in A-1 shape and brought up to date and, when the crunch does come and hog prices go down, they are going to be in a better position than we will be.

Hon. W. Newman: Don't forget we have had a program in place for 12 years.

Mr. McKessock: I know, and I made use of it about 10 years ago, but \$3,000 doesn't go far.

Hon. W. Newman: No, I appreciate that fact. I hope you'll appreciate our fact that, as I mentioned the other night, in the 1978-79 fiscal year we estimated we had \$10 million for the capital grants program. What we said was we would honour all the applications. We just tallied them up the other day and they came to more than \$25 million. That's an overrun, and we have to find those funds; the Treasurer and I are discussing that now. We will honour everything that is in as of March 31, and that isn't an easy thing to work out when you are under constraints.

Mr. MacDonald: Can you switch money within your budget, for example, with your tax subsidization program, which you said was under your estimate of last year, if they are significantly down?

Hon. W. Newman: No. The process goes through there, and we can't just do that automatically.

Mr. MacDonald: You have to go back to the Management Board and get permission to do it?

Hon. W. Newman: Yes, that's right. That's the process.

Mr. McKessock: I take from what you are saying that other provinces are giving \$20,000 capital grants and low-interest loans to farmers; doesn't that bother you as minister?

Hon. W. Newman: They don't have a farm tax reduction program there. You know, there are various programs. We haven't done a final analysis on counterbalancing one against the other, and I don't like to get into the politics of it, but look at DREE: Quebec received \$160 million, was it?

Mr. Chairman: It was \$164 million.

Hon. W. Newman: They gave \$164 million to one province and a total of \$20 million to this province which didn't all go to agriculture.

Mr. Ruston: The unemployment rate in Quebec is much higher than in Ontario; so

any government—whichever it might be; whether your buddy Mr. Clark happens to win—is going to have to do the same thing.

Hon. W. Newman: Come on. Unemployment in that whole province, in the city of Montreal, is high. Do you think it should be under DREE? If you believe that, then I say you are in the wrong party.

Mr. Ruston: That's a responsibility of the central government.

Hon. W. Newman: Exactly.

Mr. MacDonald: Mr. Minister, you had better hedge your bet, because if Joe Clark wins and he wants to get some seats in Quebec in the next election, he'll be spending \$350 million.

Mr. Ruston: A lot more. You are right on, though.

Mr. MacDonald: Keep your flanks covered before you ride into battle.

Hon. W. Newman: Let me tell you this: I am not going to get political. My primary responsibility is to the producers in Ontario. I am a Canadian first and an Ontarian second but, as far as my budget is concerned, I am an Ontarian first.

Mr. McKessock: That's what I wanted to talk about. We always seem to pull the federal budget into these things. It was the provincial budgets I was concerned about. I was talking about what the Quebec provincial government was doing for the farmers as compared with the Ontario provincial government.

Hon. W. Newman: That's right, and I am saying we have the programs in place. We spend a lot more money on research—almost three times as much as the province of Quebec. I think the research we do has paid off in this province in increased productivity per acre and efficiency of operation. I am not picking on Quebec, but I am saying generally I think the most efficient farmers in Canada are right here in Ontario because of the research work that is being done here and transmitted.

I don't know if you have a copy of the new book we have out. We put it out quarterly. Dr. Rennie, have you got any of those books, or were they handed out here at the committee?

Dr. Rennie: It's been mailed to the members.

Hon. W. Newman: They've been mailed to the members. I'll tell you what we do. The scientists aren't going to like this, but we take all the scientific knowledge that's there and then we get a layman to write the articles.

Mr. McKessock: That's a good idea.

Mr. MacDonald: Don Beeney?

Hon. W. Newman: No.

Mr. McKessock: I certainly appreciate the research that is being done; I know it is important and necessary and a good job has been done. I expect that Quebec has taken full advantage of it too.

Hon. W. Newman: They may take advantage of the research, and I am sure they come in from all over the world to look at our research; there is no doubt about it. By the same token, the research has to be done.

Mr. McKessock: At the same time, the producers have to see that they have the wherewithal to make use of it and compete with other provinces.

Hon. W. Newman: Can I just make one comment—give you a figure? The farm cash receipts of Quebec are about 50 per cent of those of Ontario, and Ontario still has about 30 per cent of whole national cash receipts in agriculture. So when you say that Ontario is falling behind, we have been holding there for a long time.

Mr. McKessock: It is falling behind. If you pull out the right figures there, you will see that we are not—

Hon. W. Newman: We can all play with figures, but these are just straight facts.

Mr. McKessock: Okay.

Mr. Ruston: That means your interpretation of the figures.

Mr. MacDonald: These are true facts.

Mr. McKessock: We are falling behind by the same percentage that we were ahead before. Of course, inflation does things to us.

Hon. W. Newman: No, we are not. That is what I just finished saying.

Mr. McKessock: I remember when I was at the Royal Winter Fair a couple of years ago, I checked the figures that you had on the wall of each product that was being produced at that time and compared them with the percentage of a couple of years previous, and, in most cases, the percentage of the product was less than it had been two years previously.

Hon. W. Newman: All right. Let's talk about corn. We have gone steadily ahead on corn. Soybeans, white beans: we are dropping back in white beans, but we are going up in soybeans. It may not be a law of economics exactly, but farmers are pretty astute and able people, and they make the decisions as to whether they should be growing soybeans this year—or corn, or white beans, or what—

ever it may be—depending on what they think they can grow with the equipment they have and to get the best return.

Mr. McKessock: I am glad you have those figures about Quebec, and I hope you are watching them closely because, with the way they have moved ahead in hogs in the last four years, we wonder what the figures will look like four years from now.

Hon. W. Newman: Mr. Chairman, I have here a little booklet we put out. May I just take one second to quote from it? "It comes as a surprise to many that Ontario grows more food—by almost half—than any other province. Here are a few facts: Ontario furnishes more beef for market than any other province; Ontario is the largest producer of fluid milk in Canada; Ontario produces twice as many eggs as any other province; Ontario is the largest poultry-producing province; Ontario is the second largest hog-producing province."

We are equal this year; so that fact is out of date.

"Ontario grows close to half of Canada's fruit; Ontario grows two thirds of Canada's vegetables; Ontario processes 56 per cent of all food processed in Canada."

I would ask you to read an article which somebody handed me—and it is somewhere in here—that Mr. Whelan did the other day. You should read it; you should really read what he says.

Mr. Riddell: Would you provide the members of the committee with a copy?

Hon. W. Newman: It was in one of the newspapers. I don't know where it is. Has anyone here got a copy?

Mr. MacDonald: It was an election speech.

Hon. W. Newman: We talked about the farmers and production.

Mr. McKessock: I realize that Ontario is doing well in the production of agricultural products.

Hon. W. Newman: Sure, and we are going to stay in front too.

Mr. McKessock: You say we are producing 50 per cent of a certain product, but when you look back a few years you would say we aren't producing the percentage of Canada's production that we were a few years ago.

Hon. W. Newman: Yes, that's what I said.

Mr. McKessock: No, you said 50 per cent of the beef we are producing.

Hon. W. Newman: I said a third; we produce approximately a third of the total agricultural production of all of Canada and have done so for a number of years.

Mr. McKessock: Yes, I understand that.

Hon. W. Newman: Well, that is good.
[12:00]

Mr. Ruston: I am sorry I wasn't in before but I just want to clear up one matter with regard to the rapeseed and soybean oil subsidy coming from the west and going back, where it is \$30 a ton coming this way and \$70 the other way. I think that was mentioned. Have you already addressed yourself to that matter?

Hon. W. Newman: Yes.

Mr. Ruston: Where? Manitoba, Alberta and Saskatchewan? With the federal government subsidizing rapeseed oil?

Hon. W. Newman: Right. As a matter of fact, I sent either a letter or a Telex to Ottawa. I have also been talking to Otis MacGregor of the soybean board, and our people are going to Ottawa with the board, some time after May 23, on this very matter. It is very discouraging to our soybean growers, when they try to become self-sufficient, to find out that they are subsidizing rapeseed oil here cheaper than soybean oil.

Mr. Ruston: I don't know if your general vote is in. It is kind of hard, listening to the comments so far today, which vote we are on.

Mr. MacDonald: We are doing everything on the first one.

Mr. Ruston: We are on the global budget, are we?

Mr. Chairman: I am still on page one.

Mr. Ruston: All I was wondering about was the tile drainage debenture. Whereas in 1977-78 your estimate was \$20 million, you used \$18,772,000; I can't figure out how that comes about, because I have townships that are so far behind it is pitiful. You still have allocated only \$18 million for 1979-80.

I was talking to the member for Victoria-Haliburton (Mr. Eakins), who has a letter indicating that their municipality has cut down considerably for 1979-80. I have a letter addressed to Mr. McNeil from the clerk-treasurer of the township of Gosfield North, saying they have been cut down to \$87,000 from \$91,800, and yet they have \$135,000 in applications on their books.

Anyway, you haven't increased your tile drainage by one bit in 1979-80 and normally, it seems to me, we would increase it by at least five per cent or something.

I must admit that there are some areas that have used a lot more in the last few years that never were involved in it in previous years. In our own area, since we are almost the flatlands of Ontario, we do use a lot of it. What we are seeing now is that land tiled 30 and 40 years ago at 60 feet or four rods

apart, is being retiled in between, which you have to do at that stage. How are we going to handle that?

I suggested a year ago that perhaps there might be a way that this could be done through the banks, where you would guarantee the loan and the difference in interest between six per cent and whatever the going rate was, when they don't have the capital to do it.

Hon. W. Newman: We did take that up with the Treasurer, your suggestion—

Mr. MacDonald: He couldn't have thought much of it.

Hon. W. Newman: —no matter how you do it, it is a liability on the province; so it doesn't matter how you do it.

Mr. MacDonald: That would be another subsidy.

Hon. W. Newman: No, no. It would be a liability on the province. Listen, nobody is more concerned about the tile drains than I am. One has to go through their budget and take their priorities.

What really has made it difficult for us this year is the overrun in the capital grants program, which is \$15 million over budget and some of which we have to try to find. The Treasurer has to find the rest of it, and where he is going to find it, I don't know. You are in the House each day in the question period, and you know the kinds of problems that other ministries are having. But there is an overrun there.

We were very fortunate in getting some of that funding paid for out of last year's budget. But we still have a much larger overrun than we anticipated, because we had to go back for the final inspections. We just didn't have the staff to process them all. Roland Sewell, our financial wizard, gave me the figures the other day that shocked me; they showed that the total bill is going to be \$25 million on the capital grants.

It is a matter of setting priorities, but let me say that I am concerned about tile drainage, because both eastern Ontario and northern Ontario now are getting into tile drainage. It is a matter of how you work your priorities. This year we are anticipating requests of \$30 million for tile drainage where there is \$18 million to go around. It is going to be a continuous problem.

Believe me, I have had letters from all kinds of people from all over the province on the tile drainage situation. I only wish I had more money in there. In August we will be reallocating money that is not being used to those municipalities that need it from

those that don't use it. Of course, a lot will depend on the weather as well.

Mr. Riddell: In that vein, Mr. Minister, what criteria will you use in allocating the money to the various townships?

Hon. W. Newman: We take the total of the requests for allocation and divide it. First, we take the three-year average of a municipality.

Mr. Riddell: Three-year average of what?

Hon. W. Newman: Of what they spent on tile drainage. That is used to divide the total anticipated allocation, which is \$30 million, and they come up with a figure that is prorated. If you want the details of how it is prorated, you can have them. But that average is used and the total requests are prorated against the \$30 million.

Mr. Riddell: Let me give you an example. Biddulph township gets \$96,000, which seems to be a very small amount, to my way of thinking, considering that three farmers who want to tile 100 acres each could pretty well use up that money. What I am wondering is, has the clerk-treasurer of Biddulph township made a request for additional money, and are there some townships that are not using their full allocation? If they are not, could the clerk-treasurer of a township put in a request to you to get a portion of that money which is not being utilized?

A farmer from Biddulph township came to see me over the weekend. He is wondering what is going on. Why is it that they have only got \$96,000, which doesn't seem like a great deal?

Hon. W. Newman: I believe all the municipalities have got their allocations now; that's why the letters are pouring in. In August, we will find out what will not be used, and that will again be issued on a pro rata basis to municipalities in the province that have submitted requests.

Mr. Riddell: Is the amount for Biddulph lower than for many of the townships?

Hon. W. Newman: They vary from zero up to what figure, Mr. Spencer?

Mr. Spencer: The lowest is \$10,000, and the highest is around \$350,000. Biddulph is, as you say, about \$100,000 this year; that is the initial allocation. We don't anticipate that there will be a lot left over, because our allocations only meet about 60 per cent of the demand. We expect the money will be used.

Hon. W. Newman: Rather than commenting, maybe I should ask a question. I have been wrestling with this in my own mind. It says that a municipality can pay up to 75 per cent of the cost. Maybe we should be

looking at a figure of 60 per cent, which would give more people the opportunity to use tile drainage. I don't know. We wrestled with this this year and decided to leave it as it was.

Mr. Riddell: Was that not a discretion that could be used by the municipalities?

Hon. W. Newman: Yes, it is. Some of them are doing it, but a tremendous number of them are not. I think they are down to 50 per cent. Is that the lowest they can go?

Mr. Spencer: They can set any level they choose.

Mr. Ruston: But 75 per cent is the maximum.

Hon. W. Newman: Yes, some townships will say, "You, Farmer A, are going to have \$3,000 this year, and that's all you can have this year." It is up to the township to allocate it as they see fit.

We have said in the past that it is up to a maximum of 75 per cent. One of the things that is putting a tremendous drain on it this year is the number of letters coming in. It would be nice to say that the interest rate could be six per cent when the going rate is 12 or 13 per cent.

There is no easy answer on the tile drainage situation. It's a tough one. With the other programs we have, we are doing our best to allocate the money as fairly as we can. I know you are all going to hear from your townships, each and every person in this room, and others besides.

Mr. Ruston: One thing that was mentioned a while ago was the farm tax reduction program which is administered by the Ministry of Intergovernmental Affairs, with the money allocated through your ministry. Listening to the comments made, I had an inquiry as to just how it was working for people who were not involved in farming.

I have a letter from Mr. Trewin, the director of the subsidies branch, with regard to a clarification I requested on this point. My question was, what happens if the land is owned in conjunction with the person living in the home; in other words, there is a person living in the home on the land, it is all in one assessment, but the owner rents it out to the farmer.

"The rebate in this instance applies to the taxes levied on the land rented out for farming purposes. The residence does not qualify, because it is not being used for farming purposes, it being occupied by an owner who is not involved in the farming operation." That was Mr. Trewin's answer.

In effect, if this were administered according to that—and the member for Huron-

Middlesex mentioned non-farmers who buy land as an investment—then they would not be entitled to receive the tax reduction on their homes.

I also asked Mr. Trewin what the situation would be if the land were on a share-crop basis, and his answer was that it would be the same as the previous answer. I don't know how widespread that use is; I think it is going to be very difficult, unless there is a place on the application form for it. I have never seen one myself, as I am not a farmer. Is there any statement on the application that must be signed to the effect that the applicant is not the operator of the farm and that the land is leased?

Hon. W. Newman: I have seen the form. I think it is just for the owner to fill out. It was kept fairly simple. I think what you are concerned about is somebody who buys a farm and lives on it but is not a farmer. They are not entitled to farm tax reduction on the home. If the farm is rented out and produces a crop worth \$4,000, the land qualifies; but not the home. If the person living in that house is a farmer and farming, then he is entitled to the whole thing.

Mr. Riddell: If he owns the land and is living in the home but is share-cropping that land, he has nothing to do with the operation of the land, but he is still entitled to the whole thing.

Hon. W. Newman: I'll have to ask for clarification on that.

Mr. Ruston: That's not the interpretation I was given. According to this letter, whether he is a share-cropper or cash renter, he is not entitled to it on his home.

Mr. Riddell: Even when he is living in the home?

Mr. Ruston: That's right.

Hon. W. Newman: We will get an answer on that for you. What you are asking is whether, say, it's my farm and I share-crop with somebody else, I am entitled to farm tax reduction on the house even though I do no work?

Mr. Riddell: Right. But you are living in the home. An MPP is a typical example. We live in the home; we can't do the farming, so we share-crop. Are we entitled to the entire tax reduction?

Hon. W. Newman: I personally thought you were. But I would have to verify that. There are a lot of MPPs who might be in trouble.

Mr. Ruston: Since it had been brought up, and I had this letter, I thought I should mention it so someone would be aware of

what the interpretation of the regulations was.

Hon. W. Newman: The first one is that if someone is living in that house, if it has been rented and the person is not farming, he is not entitled to the tax reduction on the home. Where share-cropping is concerned, I will have to check and get back to you. I thought you were, but I could be wrong.

[12:15]

Mr. Ruston: I would hate to see someone lose the tax rebate on his home, especially a retired farmer who had lived on it all his life and then because of his age had to rent it out. I think that would be rather unfair. I think, though, if the farm was bought for investment purposes, that is a different situation.

Hon. W. Newman: That is another matter. If he is a retired farmer, he will get it.

Mr. McKessock: Mr. Chairman, could I make a request for some figures on what I was talking about earlier? That book you were reading with the percentages of Ontario production of Canadian products, does it contain 1978 figures?

Hon. W. Newman: It has my name on it; that means it is within the last three years anyway.

Mr. McKessock: Could I have the figures for the past five years in that regard?

Hon. W. Newman: I can't be sure we can get them for you for tomorrow morning, but certainly we will get them for you.

Mr. MacDonald: After the election.

Hon. W. Newman: Before the election.

Mr. Ruston: Municipal drainage grants for farm drainage are not under your ministry, are they?

Hon. W. Newman: Yes.

Mr. Ruston: What is the total on that this year, just for curiosity's sake? I know it is administered by Intergovernmental Affairs.

Hon. W. Newman: It is \$5 million, but I'm trying to find the page.

Mr. Ruston: That is the one that pays one third of municipal drainage?

Hon. W. Newman: It is on page R-19, in the middle: transfer payments grants under the Drainage Act, \$5 million.

Mr. Ruston: Thank you.

Mr. Chairman: Now we will get back to estimates.

Vote 1901 agreed to.

On vote 1902, agricultural production program:

Mr. MacDonald: The other day when we were discussing farm income stabilization and the British Columbia program, the minister interjected and I think he said the BC program was in effect a guaranteed income program. I just want to disabuse the minister of that. Let's keep within reaching distance of the true facts.

I think it might be useful to put on the record some of the comments of Jack Wessell at the seminar on farm income stabilization which the OFA sponsored a few weeks ago. In the transcript of his comments, on page six, he said—

Hon. W. Newman: Do you happen to have an extra copy?

Mr. MacDonald: I have—somewhere.

Hon. W. Newman: Like me.

Mr. MacDonald: It is not lost; it is just filed.

"First of all," he said, "I want to state quite emphatically, we are not out to capture new markets with FIA"—farm income assistance. "There are strict limits on each plan for the express purpose of making sure this doesn't happen. I can appreciate that this is a difficult concept for many people outside of the system to either accept or understand, but there are precedents.

"For example, we all know the words 'supply management' in agriculture today. We know what we mean when we say 'supply management.' It is now an accepted term for commodities to engage in the practice. What is wrong with applying that concept to stabilization? What is wrong with managing stabilization to accomplish the same objectives that we seek when we manage supply, because that is what we are doing in British Columbia?"

In other words, when one has a farm income stabilization plan, one can set limits upon which the stabilization is paid, and therefore there isn't an incentive to produce a great deal more. One has what he describes as "managed stabilization."

He goes on: "Producers participating in the FIA program are not guaranteed their costs of production. Payment from the commodity fund is predicated upon a number of variables, and production must be of a high quality and must be marketed before it is eligible. We are paid only for what we successfully produce and market, and we are paid only for high-quality products."

Finally, he says: "It is sometimes alleged that the program is a way of subsidizing inefficient producers. We heard that argument many times when we were talking about stabilization and the possibility of its introduc-

tion in Ontario, but I would refute this too on the basis that indemnities are all the same size, thereby preserving the competitive advantage of the efficient producer."

In farm circles, the farm income stabilization program in BC is considered close to a model, although not perfect. In view of the election results out there, it is clear it is overwhelmingly accepted. All the reservations of the Social Credit government are now out the window. Indeed, if they had not accepted farm income stabilization, and claimed it as their own and claimed they were improving it, I suspect they would be back in the opposition at this point.

Hon. W. Newman: You weren't out there campaigning, were you?

Mr. MacDonald: No, I wasn't. If I had been, maybe the NDP would have won.

Hon. W. Newman: I could say something else, but I won't.

Mr. MacDonald: The only point I wanted to make is that we should consider the extension of farm income stabilization in this province. It is voluntary in BC as well as here, and the hesitancy or relative slowness with which Ontario farmers move into it is something some of us may regret. Indeed, the farmers may regret it when they get into difficulties. They usually move only when they have got into difficulties on this. It isn't a guaranteed income. It is a payment that is made only when they market a high-quality product. They are not going to be guaranteed an income for running an inefficient operation and producing a shoddy kind of product.

There is no point in maligning what is deemed to be a model, even by the OFA, because they sought changes in the farm income stabilization program in Ontario that would have brought it closer to the kind of thing they have in BC.

I repeat what I said at the outset: I have no particular question on this, I just wanted to make certain that the minister doesn't repeat some of the old mistaken arguments.

Hon. W. Newman: I would just like to make one quick comment, Mr. Chairman: I have not read Hansard, but I am told that I said, "Not a guaranteed income plan but certainly going that way."

Mr. MacDonald: The BC one?

Hon. W. Newman: Yes. You said I said it was guaranteed income. Apparently, according to Hansard, I indicated: "Not a guaranteed income plan but certainly going that way." That is what I indicated.

Mr. MacDonald: Jack Wessell says no.

Hon. W. Newman: That's fine. He is entitled to his opinion, and we are all entitled to our opinions.

Maybe we should stop for a moment and have a look at stabilization. Let's talk about the 1977 corn crop. I think the final price arrived at was \$2.38 a bushel. I think it was 14 cents from the feds and 8 cents from the province, the net payout. Is that correct?

Dr. Haslett: Yes.

Hon. W. Newman: There is an upper limit, by the way, of 39,000 bushels.

I'm only using corn for an example because it's the one we paid out on at eight cents a bushel. This hasn't all been paid out yet, because all the forms haven't come through. They have to come through by way of Ottawa and they're not all back yet.

I had a group of farmers come in and talk to me from the Christian Farmers' Federation a year or so ago. They said, "We can produce corn for a lot less than \$2.38 a bushel." So, you see, there are both sides of the coin. This is what we figured it out at on the program at \$2.38 a bushel, and thus the payout on the 1977 corn crop.

You've got to look at it from the point of view that there are farmers in this province—and I hope I am being practical when I say this—who own their farm, who have been farming for years and who, by and large, if they have a mortgage, have a good part of their mortgage paid off; so they don't consider in their calculations, if they had to buy their land, the interest on it, the mortgage carrying charges and everything else.

You could almost say that might be an incentive to those farmers to grow corn. Yet you've got the farmers on the other side of the coin who are young farmers starting out, who don't have any money, who will have to borrow from the Farm Credit Corporation, from the young farmers' loan program in the province of Ontario, or from chartered banks or whatever. It's not an easy thing to come with a perfect solution at any time.

Mr. MacDonald: I agree.

Hon. W. Newman: So whereas my farm is paid for, and I know I'm going to be guaranteed \$2.38 a bushel for my corn, I'm not going to worry because my farm is paid for; so I'm going to grow a lot of corn—all my 39,000 bushels.

Mr. MacDonald: What you are then saying to this farmer is that he's entitled to nothing or he's willing to accept nothing as a return on his investment. It's a very strange businessman who says, "I will forgo any return on my investment".

Hon. W. Newman: I'm talking about a very practical approach.

Mr. MacDonald: I know; I recognize the problem. All I'm saying is what they have done is to strike some sort of a balance in that. For the farmer who has it paid, he is at least entitled to a return on his investment, as a businessman.

Hon. W. Newman: Yes.

Mr. MacDonald: In fact, the point that Jack Wessell makes later is that "what they are attempting to do in their program is to give a fair return to the producer in accordance with his costs of production, his labour and his investment."

You're right. If the farmer inherited the farm, he has no interest to pay on debt, on mortgages or anything of that nature; he's going to have something of an advantage. But if you're going to ignore totally giving something on investment, what you're saying to the young farmer is, with you and Jack Riddell and everybody else being squeezed out of the possibility of getting into farming, he will never have a chance to get in.

Hon. W. Newman: I'm not saying that. I'm giving you a very practical example of a situation. I think all the factors are taken into account in the \$2.38 figure.

Mr. MacDonald: Let me illustrate my point in a sort of heretical way. Jack Riddell the other day was talking about the beef producers, saying that the beef producers are getting prices now that are very good; these are maybe compensating for the losses they had. It's just possible that the beef producers, who oppose even a marketing board, let alone going to a stabilization plan, would have been far better off in those three or four years in which they were losing, had they had a marketing board and a stabilization plan so that they were getting at least their costs of production and a fair return in that period. Now, the price would be stabilized as it is with most of the marketing boards in which you've got some sort of supply management; it wouldn't be skyrocketing.

I've got a letter here from a farmer out in Oxford county. He says: "We're getting too much for our beef now. We were getting too little back then; now we're getting too much."

Mr. McKesock: He's a guy who has his farm paid for, and his machinery.

Mr. MacDonald: It may be that he is that guy. All I'm saying is that if you take into account a fair price to the producer, to the consumer and to the farmer, the beef producers are the very people who, as they look at the last eight or 10 years, who should want a marketing board and some control

of the marketing instead of leaving it totally to the play of the market forces. For three or four years they lost money, and we all are suffering the consequences. What they did, of course, was to reduce their herds, and it takes three years to rebuild a herd.

12:30]

Hon. W. Newman: I would just like to say that in the beef industry there is a process or the beef producers of Canada—if you're talking of supply management, and I assume you are—if the beef farmers wanted such a plan, there's a process to go through to do it.

Mr. MacDonald: I know.

Hon. W. Newman: But beef prices are also very much tied to the whole world economy in beef—not only in Canada, but also in US and oceanic beef. It's really an overall world economy; it's a difficult situation to deal with. At this point in time, as far as supply management in the beef industry in Canada is concerned, the farmers don't want it and haven't asked for it.

Mr. MacDonald: Let's just correct that a little. The people who control the beef producers don't want it, but a lot of the rank and file are getting very close to it. In this instance the one champion they have is Gene Helan.

Hon. W. Newman: Yes, but by the same token the Ontario Cattlemen's Association, the Canadian Cattlemen's Association—producer-elected organizations—say no.

Mr. MacDonald: I know.

Hon. W. Newman: We could talk about supply management for 20 hours. Supply management is a good program, and I support it, but it does have its problems—

Mr. MacDonald: Agreed; life has its problems.

Hon. W. Newman: —and rather than getting into this, unless you want to get into supply management—

Mr. MacDonald: No, we don't want to get into it.

Hon. W. Newman: It's one of my favourite topics. We could talk about supply management in pork; where are we going in pork, if pork prices break or if beef prices break? They're increasing poultry production, turkey production and other production because of the price of beef. The price of beef has come down some—not a lot. I know, because I bought some last Saturday, but it has come down some.

We are forgetting, too, that in the beef industry—and it is very important to remember this—those people who are buying cattle to finish today and who are paying \$1.10 to \$1.30 a pound on the hoof to finish in their feedlot, if you did a computer runout on their return and what they would have to get for those cattle, they are running a very high-risk business today.

Mr. MacDonald: All I am saying is that one of the things that agricultural policy has sought to do is to eliminate the booms and the busts, the highs and the lows, where a farmer has to live on something less than the cost of production for a few years in the hope that some time he is going to sort of catch up on it. That's a crazy way to run a railroad.

Hon. W. Newman: We talked about a guaranteed margin approach earlier—we were talking about it early in the estimates, I believe—and Alberta has said "No way" as far as beef is concerned; they don't want any part of it.

Mr. MacDonald: But they are made up of Jack Horners who are ideological free-enterprisers.

Hon. W. Newman: He'll be back at it before long.

Mr. MacDonald: Do you think so? Back where? He'll be back on the farm; you're right.

The committee adjourned at 12:33 p.m.

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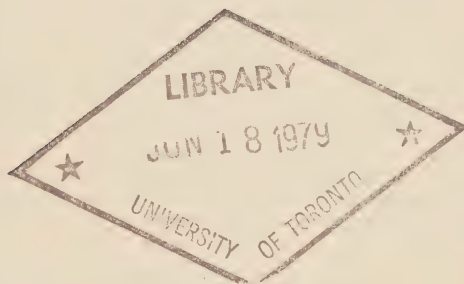


No. R-11

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee
Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament
Thursday, May 17, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, MAY 17, 1979

The committee met at 8:03 p.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD

(continued)

On vote 1902, agricultural production program, item 4 farm income stabilization:

Mr. Chairman: There's not quite a quorum, but, Mr. MacDonald, I think you were the last speaker and you may have some more questions I know to continue on item 4, vote 1902, I believe.

Mr. MacDonald: Mr. Chairman, I was just trying to state a case with regard to the real thing out in—Oh, I am delighted, Mr. Minister, to see that you are in that exclusive group that smokes pipes.

Hon. W. Newman: About two hours ago. It's killing me already.

Mr. MacDonald: The first cigar I ever smoked was at an agricultural fair. I smoked it on the bicycle on the way home after the fair, and for three miles I didn't know whether I was flying or on a bicycle. You may find the same thing.

No, all I wanted to say about BC is that—I have been able to give you a copy of Jack Vessell's comments which I think are as succinct and clear a presentation of what agriculture, through the feds out in BC, is attempting to do and what they have achieved with two governments in succession. I think I shall leave the matter there.

If I may just revert briefly: I wanted to ask—and I notice it comes under item 2, advisory services—on veterinary services. My colleagues and I have had some correspondence with you with regard to the running complaints of the Ontario Veterinary Association on updating salaries to vets in the public service. I read your replies; I could put them on the record but in substance you say it's being considered. But it's being considered for an unconscionable length of time. If these people, who don't represent a significant increase in the budget, are being as underpaid as the association claims, what is the reason for such a long delay in getting reclassification and an update, because it's quite some years since they were given an increase?

Hon. W. Newman: May I just comment?

As you well know, everyone has had a letter from the president of the Ontario Veterinary Association. We have given the Civil Service Commission all the details, the kind of work they are doing, the classification and everything else that is involved.

I guess if we had to boil it all down in short form, you have seen my letters that have gone out to Dr. Grenn, whom I've met with on several occasions to discuss this matter and other matters with him.

As you know, we have a bill before the House right now, to request the OVA—but coming back to the basic salary situation, we have been advertising recently for four veterinarians of the graduate class—well, the graduate class or otherwise—to work in the ministry and we were very interested to see exactly how many replies we would get; how much interest is shown in the salary range that is there.

I am not sure that we have the results of that back as yet, and of course that will have a great deal of bearing on the Civil Service Commission as to reclassification and redoing some of this work.

I am fully aware of the fact that the veterinarians have contacted me on many occasions regarding this—and not because I am naggy or anything else; I have no prejudices, don't get me wrong. I realize there is a serious problem here, and we are doing all we can to forward the information and so on to the appropriate negotiating group. I am talking about the four veterinarians I have mentioned here.

Maybe we have an update here, I am not sure—no, we haven't had any response at all yet. These competitions are now closed and the interviews are presently being conducted. The outcome of these will be reported to the Civil Service Commission. If the indications are that there has not been any major response to the jobs at the price ranges advertised then I think we are going to have to try and look at reclassification.

As you know, we have co-operated with the OVA and others. If they decide to go the political route, which is fine by me, that's great, because I think veterinarians are very hard-working people. But on the veterinarians who work for the ministry, certainly all the

pertinent information has been given to the Civil Service Commission; all the facts have been given to them. I realize that one of your colleagues wrote me a specific letter, suggesting that I was stonewalling. I am not stonewalling anybody because, as I said here last night or the night before, we have a very dedicated staff.

Mr. MacDonald: What's the process here, Mr. Minister? Does a group like that negotiate with the Civil Service Commission to try to prove its worth, or do you operate on their behalf?

Hon. W. Newman: The veterinarian association has met with the commission as well as information that has come from our particular ministry to the Civil Service Commission. I believe that is the correct procedure. Ken McDermid is here; he is head of the veterinary services branch of the whole ministry.

I think that is basically the situation at this point in time. Basically, we are waiting to see exactly how many people apply for these jobs. If there is no response, then maybe we have a good case to go back to the Civil Service Commission.

Mr. MacDonald: Forgive me for the comment, but it seems to me this is a crazy way to run a railroad. You need four vets. The association has made the claim, and it appears to have some validity, that your categories and your salaries need serious updating. It's a strange procedure that you try to get these people from the market at the old salaries and in the old categories, and if you don't get them, in other words if they're not sucker enough to buy now and get in, then they will upgrade them and bring the standards and the salaries up to date. If you do get them, I presume the Civil Service Commission will procrastinate for another two or three years.

[8:15]

Hon. W. Newman: No, I can say they have met with the commission as a profession. I know what vets go through, I know the amount of work they do, I know the kind of education they have for their jobs. You were saying to me that maybe I should interfere in the negotiations with the Civil Service Commission. I don't think you want me to do that at this point in time. We have made sure that we kept them abreast of the facts, of exactly what's happening, what they're being paid, and the category and kind of work they're doing. There's plenty of correspondence to back that up.

Mr. MacDonald: If you get four vets that you're happy with as a result of this ad,

isn't the likely result that the Civil Service Commission will tell the association to go home and peddle their briefs three years from now, when you need more?

Hon. W. Newman: I would hope not. I don't want to get into an OHIP situation, but I know what the vets in private practice make. It would cost you more to have a cat looked at than it would myself. But that's another matter unto itself and rightfully so, because the vets work all hours and long hours. But the vets who work within the ministry work within the civil service. We have tried to make things very clear; we've presented all the facts and figures.

As a matter of fact, the head of the Ontario Veterinary Association actually works for the government. Dr. Grenn works for the government. I have met with him and some of his executives to talk about these matters. We have done, within the limitations of our ministry, everything we are supposed to do as far as the Civil Service Commission is concerned. They feel they're underpaid. I'm sure I could look around this room, and I'm sure I could go next door and everywhere else and other people would feel the same way. Now maybe Dr. McDermid might want to comment a little further. Mind you he's head of the veterinary services branch and I might have embarrassed him so maybe he doesn't want to say anything about that. It may not be fair at this point in time to ask him, but if he'd like to I would welcome his comments.

Mr. MacDonald: I'd like to hear his comments.

Hon. W. Newman: Yes, but by the same token, I don't want to embarrass him because Dr. McDermid—

Mr. MacDonald: I don't think you've completely cowed him yet.

Hon. W. Newman: I just think he's a great fellow, and I think he'd done a fantastic job and I don't want to embarrass him. Do you want to say anything or not? I hope I'm not putting you on the spot.

Dr. McDermid: No, Mr. Newman, I think you have described the situation as it is in respect of the dealings with the Civil Service Commission, the Ontario Veterinary Association has met with the commission, and outlined its concerns. The commission, of course, wants to determine if there are qualified veterinarians available at the present salary levels. They consider an answer to that question as being very valuable to them in making an accurate assessment of the situation.

In other words, if there are candidates with proper qualifications applying for the positions, then this would suggest that the current salary levels are competitive with other jurisdictions. And of course we think in terms of like jurisdictions and other governments which employ veterinarians to do essentially the same work which is being done in Ontario. The chief competitors, of course, being the larger provinces, the "have" provinces, and the government of Canada.

Hon. W. Newman: May I just make one more final comment regarding veterinarians and all staff in Ministry of Agriculture and Food? I would just like to say they're all a very dedicated group and they all work more than their allotted eight-hour day in 90 per cent of the cases. Certainly as far as I'm concerned, all the information that can go forward regarding the vets has gone forward. I could talk about our regional directors, I could talk about our ag reps who have been out there. I won't ask Andy Watson but I'd venture to say that he's never worked an eight-hour day in his life, except maybe on Sunday.

Mr. Watson: Thank you.

Mr. MacDonald: As a politician I've rarely worked less than 12 or 15 hours, but so what?

Hon. W. Newman: No, I agree.

Mr. Watson: I didn't campaign to get that job.

Hon. W. Newman: That's by choice. It's my choice that you become a politician. But I'd say that we have a dedicated staff and I'm very proud of the staff in Ag and Food. Certainly as far as the vets are concerned, I'm fully aware of the letter that went out about a week ago. I'm fully aware of the correspondence I've had with one of your colleagues about this particular matter. I met with Dr. Grenn on two or three occasions and I talked to him on the phone on several occasions too.

Mr. McKesock: I'm wondering if you're paying John Krauter enough money now. A few years ago when he was with manpower services he visited our farm and he told me we had to subsidize his salary at that time to be able to survive.

Hon. W. Newman: I guess he's in the same boat you're in. I know that being a politician subsidizes your farm income and your farm income subsidizes your being a politician. John's now in the sheep business.

Items 1 to 4, inclusive, agreed to.

On item 5, assistance to primary food production:

Mr. MacDonald: One brief question. You're a better railroader than you are a farmer. How much money is in the new incentive program?

Hon. W. Newman: We don't know. Well I know basically. The farm productivity incentive program is in the part that says \$12.8 million. Now unfortunately as we anticipated, the capital grants program last year was \$10 million, the overrun would be \$12 million, \$6 million which the Treasury gave us, which I explained to you the other night, was from last year's budget. The balance is going to have to be paid off for the new program. It's very hard to say exactly what is in it, but it's not going to be as high as we anticipated. Now there is a possibility, and this depends on Management Board and cabinet, that if we find somewhere within the budget an area—and this will take a few months to figure out—where there may be money not being spent. For instance—

Mr. MacDonald: Tax reduction?

Hon. W. Newman: Tax reduction or stabilization. Then with the approval of cabinet we might be able to shift money over into that program. I would be very dishonest with you tonight if I gave you a firm figure. I could say, "Yes, there are \$12.8 million in the budget," but I happen to know that a lot of that has to go off to pay the capital grants program, the overrun from last year, besides what we already got from the Treasurer which was an overrun already there. I really can't give you an accurate figure until we finalize things.

Mr. MacDonald: Well, are you saying to me that most of that \$12.8 million in the budget is likely to be going in overruns and if you don't happen to get a surplus in other budgets such as stabilization or the tax reduction program you may have very little or nothing in this program and shelve it for the—

Hon. W. Newman: No, no. There'll be several million in there. The exact millions I can't tell you. I'd be less than honest to say to you today that it's going to be \$5 million, \$5.5 million, \$4.4 million. I can't give you a firm figure on that right now. And we've only just finished running through—Mr. Sewell told me this the other day to my shock—the \$25 million mark. We figured \$22 million would be a maximum in the capital grants program, but it's gone to \$25 million and God knows, I'm afraid to ask him, has it gone over \$25 million?

Mr. Sewell: No.

Hon. W. Newman: No?

Mr. Sewell: We still have \$7 million. We think the best guess is about \$7 million this year.

Hon. W. Newman: We're anticipating around \$7 million.

Mr. MacDonald: Well after all of the publicity and all the promotion with the original announcement in the throne speech of this farm production incentive program, it seems to be a rather strange way to operate a program that you have to be so uncertain in terms of the financing that is available.

Hon. W. Newman: Well, let me say this. I could have said, last February, the capital grants program will be cut off as of February 1. Maybe I should have done that, I don't know. But you know, you've got to make judgement calls. And I said, "Okay, it's cut off on February 1. Anyone who hasn't got his building finished by then will be cut off." It was announced as a 12-year program but it was announced a \$120 million program. It went up to a \$180-million-something program.

I guess what I'm saying is that I could have announced very easily the cutoff of the program, say on February 1, which would have taken February and March out. This would have left us more money for the new program. The total allocation for the new program is in the budget for this year.

By paying off our past debts—because I felt, and the government and our membership agreed with me, that we should try and honour that agreement—by honouring that agreement it went way over what we anticipated. We are hoping that this program basis will cost somewhere in the neighbourhood of \$10 million to \$11 million annually.

Mr. MacDonald: Well, I'm not objecting to that.

Hon. W. Newman: So what I'm saying now is this: that we estimated at \$22 million. We estimated about \$7 million, which would have given us about \$10 million for the program for this year, which would have been just about right on the target.

It is all very well to say that I took a commitment to the old program, right to the end, and I have to live with that. But I have also taken a commitment to the new program which will be fully on stream in the next fiscal year. There may not be the total allocation we'd like for it. We're hoping we can reach our total allocation for the program before the end of the year. We're talking \$7 million, or maybe talking about some transfers. So what I'm saying is, in the transitional period, we may not have the total

amount of money we'd like to have in the new program for this year.

Mr. MacDonald: Well, let me make two comments and I'll let the thing rest, Mr. Chairman. I'm not objecting to continuing grants into what is an overrun on the old one. Since you're giving the same capital grants to farmers who weren't in before, it would have been folly to have chopped the thing off and left them with a barn half built or whatever. That would have been a silly procedure, and since there is a continuity, fine, you're continuing.

I still think it's a little peculiar that you can't have what you deem to be the appropriate figure, and know it for certain for the new aspects of the program, in addition to the continuing traditional capital grants. I'll make you a little bet. Next year, when we get closer to election, you'll know what money you have. You bet you'll know what money you have.

Mr. Eaton: For the election, Mr. MacDonald?

Mr. MacDonald: I said when you get closer to an election.

Hon. W. Newman: I believe the Premier of Ontario (Mr. Davis) said he was prepared to go the full term.

Mr. MacDonald: I'm afraid you're in the low cycle of the election.

Hon. W. Newman: No, on the contrary. Listen, the Treasurer (Mr. F. S. Miller) was more than fair on the capital grants program at this ministry.

Mr. MacDonald: Was he?

Hon. W. Newman: Yes, he was, and you can ask any one of the staff members. We worked on it very hard. You know, you talk about an election this fall. You fellows want an election this fall quite obviously. You talk about it next spring. The Premier said he'd go the full term.

Mr. MacDonald: Look, I said next year you'll be closer to an election, which may be 1981—you'll start building it up.

Hon. W. Newman: Oh, no. Would you read back Hansard on what he said there?

Mr. MacDonald: It's true, I say.

Mr. McKessock: I don't think the farmers are concerned about whether it's \$10 million or \$20 million; these big figures don't mean too much. It's how much per farmer are they going to get.

Mr. Chairman: Mr. Eaton's turn, I'm sorry.

Hon. W. Newman: May I just make a comment, Mr. Chairman, first? Sorry. May I, Mr. Eaton?

Mr. Eaton: I'll let you.

Hon. W. Newman: When we first came in here I offered to outline the new program to you, as well as taking some tours. You rejected that.

Mr. McKessock: Did I do that?

Hon. W. Newman: You did, in this room; you go back to Hansard. I offered to show you the new program. I needed some advance notice.

Mr. McKessock: Well, let's have it.

Hon. W. Newman: No, no. Just a second now. I offered to do it, so don't say I didn't offer to do it. I discussed it the first night here.

Mr. MacDonald: If I know how much money you've got for the program I'll know how meaningful the program is, so our questions with regard to money are relevant, whether or not we ever see the program.

Mr. McKessock: Well, let's see the program.

Hon. W. Newman: I'm sorry, Mr. Chairman, it's the point I'm passing. I made that offer the first night we sat.

Mr. McKessock: Well, will you make that offer again? I don't remember you making that offer.

Hon. W. Newman: At this point in time—

Mr. Eaton: Mr. Chairman, let's not back-track on this.

Mr. McKessock: When can we expect to see the new program?

Mr. MacDonald: Any time he wants to send around advising the House that it's such-and-such a time—

Mr. Chairman: At this time it would be fair, I think in fairness, that people give their notice when they want to speak. I'll take their names down; we should follow that order.

Mr. Eaton, and then Mr. Miller.

[8:30]

Mr. Eaton: Well, Mr. Minister, in the light of the fact that you are concerned about funds, and how much funding might be available—I think it was announced the new program was going to have a higher income level before you can qualify for it—I'm wondering if you're giving any consideration to a higher income level before people qualify for the farm tax reduction program, which has some \$53 million in it this year. There

are still people out there I think should not be getting it. They certainly are receiving a fair amount on very slim agricultural production, really; they have some very expensive homes on their property. Have you considered raising that level to reduce that \$53 million? And maybe make some of it available for the stabilization programs, or for the grants program for the coming year?

Hon. W. Newman: We've discussed it, but the farm productivity incentive program is \$8,000; farm tax reduction is \$4,000. I want to say we gave it a lot of thought before we even doubled it from \$2,000 to \$4,000. As a result of that, and I'm just going by memory from a few figures I think I gave you last time we met, I think we had about, is it 10,000 fewer applications?

Mr. Sewell: Yes.

Hon. W. Newman: We've had about 10,000 fewer applications so far. Now, that doesn't mean that some of them won't come in, but 10,000 as per a year ago. This is telling me that a person going out from Toronto—like a certain former NDP member mentioned on the radio program this morning; I wouldn't want to mention Dr. Shulman's name here—but what we're trying to do—

Mr. Ruston: It's okay. He's supporting the Tories now. I don't think it will help us much.

Hon. W. Newman: I'm sorry. I shouldn't have said it. What we're trying to do in the farm tax reduction program is to eliminate those people who were going out from a city and buying, and living in the country on 10 acres or 15 acres. But we still have a lot of problems in a lot of parts of the province where we have people legitimately and honestly working.

You should see some letters that cross my desk. Many semi-retired people want to stay on the farm, or live on their farm, and still need a farm tax reduction to survive. The farm productivity is perhaps more geared to the younger group or the farmers who really want to move forward and progress, and do other things. Therefore, you would expect their gross income to be higher.

I've had a lot of letters regarding the farm tax reduction at \$4,000. I thought of raising it, which we would have set the figure for this year. I'd be guided by this committee, if you think we should raise it. But I tell you there are people in this province, in Haliburton, in eastern Ontario—which the chairman will probably tell you about—in northern Ontario, wherever it may be, to whom \$4,000 worth of gross income is a fair amount of money.

Somebody could say to me, "Well, that's only four cattle beasts today." But it may be two years or three years down the road whatever it may be—we don't want to hurt the legitimate farmers. We want to sort out those people, if I can say this. We want to eliminate those people—and I look around this room and see a couple of them, but I shouldn't say this—we want to eliminate those people who are going to be farming as a hobby.

It's not an easy thing to do because it's hard to get a legitimate person who really wants to farm. I wasn't casting any aspersions on anybody, I hope you realize that. It's hard to draw that line. If you draw that line at \$8,000 for gross income for the farm tax reduction, an awful lot of people in northern, eastern, and maybe central Ontario, and probably even down in your area, could actually be hurt. Because they might be semi-retired, or whatever it may be. The idea of the farm tax reduction is to help them with their taxes. The farm productivity incentive program is to say, "Look, get on with your productivity, then you get involved with the grant structure."

Mr. Eaton: I recognize that point. It's a good one because I know of situations like that. What about some qualification to it? If they're qualifying on the basis of \$4,000 in farm income, then their income from other sources can't be more than that. Some qualification along that line would be worth taking a look at.

Hon. W. Newman: We have. I appreciate what you're saying. If a young fellow wants to start farming and wants to buy his father's farm and is out working and making probably \$4,000 a year but only making \$4,000 on the farm, then that is really putting a bit of a push on the young person who really wants to farm. I won't think back to when I started because it's a long time ago, but I have to think of the young people today who have to work off the farm. I was lucky, as was the former leader of the Liberal Party. But they have to work off the farm to supplement their income until they can reach that point. By doing that, you could penalize them by saying they can only make \$4,000 off the farm and \$4,000 on the farm.

If there's a good formula—and I didn't mean that unkindly—then perhaps it could be worked out. Believe me, my staff and I have looked at trying to figure out something, without requiring a hundred inspectors to enforce all of these factors.

You might talk about a schoolteacher who buys a farm.

Mr. McGuigan: A noble occupation.

Hon. W. Newman: There is nothing wrong with it. They're a great group. I thought the former teacher might say something.

Mr. Wildman: He wasn't listening.

Hon. W. Newman: You might have a schoolteacher, a fellow who's teaching school and making what would be a lot more than \$4,000 a year, who would sincerely want to farm some day. He buys a farm and he doesn't gross that much, but he'd eventually like to farm. I see this happening from time to time.

Mr. Watson: You can do that well or welfare down our way.

Mr. Wildman: You've got a real hang-up about that, haven't you?

Mr. Eaton: I can see the problem, but I still think there must be some way to get at some of those people in the area who are getting it but don't need it and don't deserve it probably. They're getting it on top of large incomes. It's not taxable the way it is. You're allowing that money to come back to them when that money could well be used to help those young farmer who want to be getting into the program or the ones who are retired on the farms so that more money would be available for those productivity programs that you want to carry out. I still believe we've got to take another look at it. I believe it should be taxable. In that way, if a person's making a large income, then it's going to be included on top of his income.

Hon. W. Newman: I know the feds are looking at the taxable part of it. I appreciate what you're trying to say. Without getting into a lot of red tape, we're trying to find a solution to what you're saying. I can give you an example. I know a fellow who built a \$400,000 home on 20 acres and claimed a farm tax reduction.

Mr. Wildman: Did it cover the whole acreage?

Hon. W. Newman: He qualified in the situation, but eventually we caught up to him. He didn't really qualify and we cut him off. That's part of our process. That's part of the student process. We take students out to check out these things. Our agronomists do a fair amount of checking. If a fellow says he's had so many cattle on a farm or something, they go up and they check out the farm.

Mr. Nixon: You sent them up to count the calves.

Hon. W. Newman: Did we?

Mr. Nixon: Thank God, they were right.

Hon. W. Newman: I can assure you we do spot-checking.

Mr. Nixon: All Liberal farms.

Hon. W. Newman: That shows you how honest we are. I had never known until this day that they checked your farm. Your face is red, so something must have been wrong.

Mr. Ruston: His face is always red.

Mr. Eaton: I still think we should be continuing in some way to take a look at that because I think there are a lot of dollars being put into non-productive uses that could well be put into other productive programs.

Hon. W. Newman: I agree with you, and we are doing checks.

Mr. Eaton: I know when we changed from the acreage basis to the income basis it caught a lot of them, but then a lot of them quickly caught on to the fact that they could throw a few cattle in there and sell them at the end of the season, and then they qualified.

Hon. W. Newman: By the same token, it's not quite that simple. You can't buy them and sell 10 days later; that's not the intent of the program. Most of the ag reps have been very good about explaining to the people just exactly what the purpose of the program is. There was no abuse of the program down in Chatham-Kent, was there?

Mr. Watson: No.

Mr. Eaton: The first place he went to, he said.

Hon. W. Newman: I appreciate the problem, and without getting into a lot of red tape regulations and staff and policing it does create problems. I guess 99 per cent of the farmers are honest people; when we hear about the odd case where they're not, then we step in and try to do something about it.

Mr. G. I. Miller: I was wondering—I don't know if it fits into this vote or not, I think it would—assistance to primary food production. Have you given any consideration to energy, and the production of energy from alcohol? It's being promoted in the States. I read about it in an article in the Sun about two weeks ago. A farm engineer, Ken Braden, who used to make his own hooch, says farmers should run their tractors on moonshine, and he's even designed his own still. We've had a few requests locally that they would like to try this. Have you given it any consideration?

Hon. W. Newman: Yes, we have, and I will ask Dr. Rennie to back me up on this. I'm wrong. We know how to produce the necessary alcohol and ethanol, all the other stuff that will run cars. We know the basic cost of producing the stuff per gallon—

Mr. G. I. Miller: How much per gallon?

Hon. W. Newman: Let me just finish. At this point in time, it's not an economically viable situation, but we're rapidly heading towards a point, maybe, where—I never really know until I read the newspaper—from renewable resources like pulpwood, corn, whatever, we can get more ethanol or alcohol out of corn per acre than our total energy requirements and where the cost of producing a gallon is—I'm not going to guess—\$1.40 a gallon?

Dr. Rennie: It's about \$1.65, I think.

Hon. W. Newman: Closer to \$1.65 a gallon. Of course, don't forget there are certain provincial and federal taxes that go on top of that.

Mr. McGuigan: That's cheap booze.

Hon. W. Newman: Yes, very cheap.

Mr. Nixon: If you could have those stills and experiments without all those silly taxes that you have.

Hon. W. Newman: Sure, a recirculating pump in your pool would show you how to do that.

Mr. Riddell: Are you putting a price tag on the corn stalks that could be used for producing that stuff?

Hon. W. Newman: I can't say anything on the corn stalks.

Mr. Riddell: Where is the high price coming from? They talk about growing energy crops on the farm. You harvest the corn from the stalks; the agricultural experts tell us that there's not a great deal of advantage in 1,200 corn stalks, so why can't you harvest the stalks, put them into your pile, ferment them, and collect the methanol? Mix it with gas, and you've got a source of energy. Where is this \$1.43?

Hon. W. Newman: Let me just say this, Mr. Riddell. To make the proper form of alcohol—and I'm no expert in this—requires a very high sugar content—sugar beet, such as you were talking about the other night, potatoes, grain corn, is where your sugar conversion factor is. All I can go by is the scientists who have told me that it costs \$1.65 a gallon to produce. As I said, methanol from wood; ethanol from corn, sugar beet, potatoes and cereal grains; methane gas from manure. As you may or may not know, we went up to turn the sod the other day for the new swine research station at Arkell with the Hon. Lorne Henderson and we will actually be putting in a methane gas program in there to do research on it. Actually within the swine research station. So if you want to know how we get to the \$1.65 figure

exactly, I have to be guided by the experts. I think Dr. Rennie is such a capable person he can tell you exactly how it happens.
[8:45]

Mr. Riddell: Maybe he used to be before he got into this business.

I would like to go on and report a little further from this article. It indicates here they can make it from corn for 60 cents a gallon. The vegetable mash from which hooch is made—corn is the most popular—can be recycled as a high-protein animal feed. The heat can be used to vaporize the alcohol and it also can be used to help heat a home, the article says. It also indicated that if farmers could pull 30 per cent of their corn off the market they could double the price, which perhaps has some logic and would serve three functions.

I just wondered if while you're getting the \$1.40 or \$1.50—I think it requires a permit now of something like \$200,000—is that not right?

Hon. W. Newman: There was an article in the paper about the fellow who is running his car on water. I can't specifically give you figures on it. Maybe Dr. Rennie would like to comment or else we will get you the figures and a breakdown on the cost. But we do have a point in Ontario or in Canada where our renewable resources, whether we're talking about poplar, corn or sugar beet, whatever it may be, do have the potential to produce a fuel that will run cars, or whatever it may be, in this country.

At this time I'm told it's not economically viable but certainly don't think other countries don't realize we have it too. They are doing a tremendous amount of experimental work here and in the United States on solar heat and other forms of energy.

But I will certainly try and get those figures for you and a breakdown. I have seen them but it was almost a year ago and I just can't remember each figure. I guess I'm getting too old to remember all the figures. Dr. Rennie, you could get those for us? We'll have them for you tomorrow night.

Mr. G. I. Miller: They indicated it's 60 cents a gallon and diesel fuel in that area is 80 cents a gallon. So if you can use the feed, which is high in protein, for cattle, you could perhaps compete quite easily, according to these figures.

Hon. W. Newman: All I can say is all the expertise that needs to be known is there. I suppose it's a matter of arguing the figures—your costs for corn and all the other factors. We have discussed this in my ministry many times and we think agriculture is going

to be the source of fuel in the future if we keep running into problems.

We will give you the figures. But somebody is saying 65 cents, somebody is saying a dollar, somebody says they can mix 20 per cent methanol with their gas and make their car run. There's a lot of money being spent on research on these things. We do monitor twice a year the actual costs of ethanol in relation to both gasoline and diesel fuel.

So the expertise I think is there. It's all in place; it's a matter of economics. My personal comment on this would be that as soon as we get to the point where we have the expertise we can move into production and we can be self-sufficient. But the cheapest source of fuel at this time is still from our sister province, I guess—and I won't get into the politics of that tonight. That is the cheapest source of fuel as we know it.

You're going to read all sorts of stories, you're going to get all kinds of figures. It's amazing the reports that go across my desk and the letters I get about people with ideas. The Ontario Research Foundation is constantly being advised of various new programs. They are constantly into research projects that have been brought forward by people but have been researched by the scientists first.

It's all very well for me as a layman to say, "Yes, tell me why it's \$1.65," as you are saying, and then somebody else says, "I can do it for 65 cents." I don't know what his byproduct is—I think you mentioned moonshine. Maybe he sells that for \$1 a gallon and the byproduct would be pretty cheap then. I'm not being facetious, but I don't know. We do have cold hard figures which would indicate the exact cost; the expertise is there, the know how is there, we can do it and we will be glad to see that you get those figures.

Mr. G. I. Miller: I will give you a copy of the article for your files and maybe you can research it. But it seems to me that they are experimenting on a fairly large scale in Florida. The Americans seem to be given the opportunity to get a jump on us. We were talking the other day to a chap who lives in the Burk's Falls area; he feels he can grow sugar beet or potatoes on his dairy goat farm and that he could provide enough energy to work his land and feed his herd of goat. He would certainly like to have the opportunity of trying that. To carry this forward maybe he should be allowed to see if it is feasible that far north in Ontario—an area which is not really productive from an agricultural point of view. It could well be worth while following this up.

Mr. Riddell: All the initiative but no opportunity.

Hon. W. Newman: I have had all kinds of people who have written and come to me. I've sent them over to see our scientists—I'm not a scientist—and I get reports back on them. If I had to summarize it all in the long term, I feel the figures they are giving me are accurate. Somebody asked me if I had seen a particular article—I don't know what paper it's in.

Mr. Ruston: I think you'll find that really what we're looking at—we're not comparing apples and oranges. You can buy gas at the gas station today for 37 cents. But it is 37 cents plus government taxes, so if that guy can produce that at 60 or 70 cents—last Friday when I was going home from here I stopped—

Hon. W. Newman: Where do you get gas for 37 cents a gallon?

Mr. Ruston: I got gas for 79 cents, but there's 56 cents in royalties and taxes on it, so that means you only pay 24 cents a gallon. That's the problem with comparing the cost of making that type of fuel with the price of gas. If you compare it to the \$1 a gallon you pay at the pump that's fine, but you must remember that 75 per cent of that is taxes.

Hon. W. Newman: I don't know that it is 75 per cent—

Mr. Ruston: Well, approximately.

Hon. W. Newman: That's what I'm saying, even with the price of producing this fuel every farm could have its own still. You've still got to add the taxes, because somehow the government still has to have revenue to pay for repair of the roads.

Mr. Ruston: That's why you're having the problem comparing its cost to that of gas when you figure what your taxes are on gas.

Hon. W. Newman: I think the \$1.65 we're talking about is without taxes, is that not correct? So you would have to add taxes on top of that. The tax on gas is what, now that bill is passed?

Mr. Riddell: How do you substantiate that \$1.65? Where is this figure coming from?

Hon. W. Newman: I'm going to ask Dr. Rennie to comment on it.

Mr. Riddell: It's all well and good to say we've got a cheap energy source in the ground—oil and gas and what have you—but I'd like to know where this \$1.65 figure comes from.

Hon. W. Newman: I would like to ask Dr. Rennie to comment on that because that's the figure he's been telling me and I'm sure

that he knows what he's talking about. In all fairness to Dr. Rennie, he's got research scientists working for him at Guelph. I said I would provide you with the data on it, but he might like to comment on it briefly.

Dr. Rennie: I'd be glad to. I'll provide that report the next time we meet here. As the minister has said, I've had a committee working on this now for well over two years. We get together at least twice a year to update it. It is not just for our own people. We have agriculturalists involved, people from the Ministry of Energy and some scientists from the University of Toronto who sit with us on this—each with his own expertise—to look at the price of the different sources of energy. The type of energy we are talking about here is just about down at the bottom at the present time, economically speaking. We have to take into consideration the cost of producing, say, sugar beets, which is one of the best ones insofar as producing ethanol is concerned, because, as Mr. Lantz has said, of the high sugar content.

When you take into consideration the cost of producing sugar beets, that has to be a factor. We must not get carried away with the fact that we think some of these new ideas could well be the solution to all our energy problems because we don't have enough land in all of Canada to produce nearly enough energy to operate at our present level. It would only supply a portion, at the very best.

We will supply the summary which we put together. It was about six months ago when we analysed it the last time. We will provide that with the cost of production figures, the ratios of one to another and how basically we arrived at that figure.

Mr. G. I. Miller: Would it be possible to set it up experimentally? I think the deterring factor is the fee for getting the permit. That is perhaps the limiting factor. I realize it would have to be dealt with in a manner so that the product couldn't be utilized as alcohol for public consumption; it would have to be designed strictly for what the experiment would be for.

Hon. W. Newman: I don't know if you would need a permit. If I recall an article in the paper recently, the permit was \$250, but I could be wrong.

Mr. G. I. Miller: No, it is much more than that. The figure that comes to me is \$200,000.

Mr. Nixon: To sell.

Hon. W. Newman: To sell. That might be different, yes.

Mr. Nixon: You can make 250 gallons of wine without a permit. That is where that number came in.

Mr. McKessock: I'd like to carry on with this energy business. I remember a few years ago when I was attending the OFA directors' meeting—and Mr. McGuigan would likely remember this—we had someone come in and give a presentation on the production of methane gas. I believe at that time they said when gas got to be \$1 a gallon, then methane gas would be economical. I suppose the cost of production of methane gas has gone up now that gas has reached that price and that pushes it up the ladder a little further.

Are you doing any experimental work at OAC on methane gas or the energy crops we are talking about?

Hon. W. Newman: As I said before, we have done some. The new swine research station is going to be doing a tremendous amount of research on methane gas. Maybe Dr. Rennie would tell you what ARIO and the others have been doing on experimental work on gas. We talked about energy conservation last night. There has been a fair amount of work done on this.

Dr. Rennie: In answer to that specific question, we are in our second year now of funding research at the University of Guelph in the school of agricultural engineering. This is a joint project between the Ministry of Energy and ourselves. In all, \$40,000 a year is going into methane as such, and \$40,000 approximately into solar heating for livestock buildings.

The studies last year were pilot studies, laboratory-type studies and design studies on a methane digester. They involved working with some of the people from the University of Waterloo who did earlier work on this.

[9:00]

The work this year will be concentrating on the final design of the building and the actual digester to be tied in with the new swine research centre which Mr. Newman referred to, where we will actually be taking the liquid manure via pipes directly from the swine research centre into the digester. We are designing it for what we consider a good commercial swine operation. That is the size of it. So we will know the problems, hopefully, that a commercial swine producer would run into, operationally speaking.

There are two big problems with methane; one is the storage of it when you don't need it all at one time, and the other is where you are going to use it. At the present time methane is great if you need it for heating a house or heating barns or use it in stationary

engines and that sort of thing, but to try and use it in tractors and mobile equipment is a big problem.

Mr. McKessock: Can you not compress it into a tank?

Dr. Rennie: Oh, yes, but it still adds weight, and a lot of weight, but that is one of the things they are looking at, Mr. McKessock. That is the stage that project is at. At the present time this is planned for a four-year study at least. I hope we will be building that methane unit early next year. That's the schedule at the moment.

Mr. McKessock: Thank you. I feel this would be a great time to be starting to grow these energy crops and it would be one way of preserving our agricultural land. This is one argument against preserving it right now. People say we have far more land than we need, we have far more food than we need, but if we started to grow these energy crops right now, even though maybe it is not yet economical even with the price of gasoline at \$1 it would be one way of tying up this land and one way of producing this energy we are going to use some time down the road.

In fact, we have lots of poor land that we can build on, but it is disappearing quite swiftly every year. If we had some good reason for using it, then I think it would help protect it. If we started using that land it would do far more than the food land guidelines.

Hon. W. Newman: But you can only produce crops on land. We know we have the capability of producing a lot more crops, a lot more capacity in the milk industry, as you well know in your own area and in other areas, there has been a lot of discussion in the papers about it in the last few weeks. If a farmer can't make a decent return on—

Mr. McKessock: No, no, I am saying use this land to produce energy crops, and you could use this good land that we are building on down around the cities to grow the sugar beet that wouldn't smell or anything else. It would be one way of holding this land in agriculture.

Hon. W. Newman: One of your best energy crops is corn. In yield per acre to produce the necessary gas to run your cars, your tractors, the best is corn. You get more return per acre, as far as energy is concerned, out of corn than you do for input than I think you do on everything else than maybe sugar beet.

Mr. McKessock: I am not debating which is the best crop, I am saying we should be growing a crop. I am just saying we should be

growing crops instead of houses on this good land around the cities.

Hon. W. Newman: If you want to get into the food land guidelines, I think we did discuss it at some length the other night but I am prepared to discuss it again. I don't think you can go on making those sorts of statements and not expect me to say something.

Mr. Eaton: Before you say too much about it you had better read the last OFA issue on the results too.

Mr. McKessock: I don't know whether we have been talking about this area of producing energy crops very much or not. We know we have lots of food, but we haven't got lots of energy.

Hon. W. Newman: Sugar beet, potatoes, corn, all give you good yield per acre, then we have even got the fast-growing poplar they are doing some experimental work on.

Mr. Wildman: That's one thing Ed Havrot and I agree on, and probably the only thing.

Hon. W. Newman: Today they are working on all kinds of things to produce energy.

Mr. McKessock: Okay, I'll leave that. I have one more question on the capital grants. I'm pleased to see you're going to pay out all those applications made last year. I certainly think that's the way it should be done, because nobody likes to see a program come in and only some of the people get the benefits of it, and if you cut the program off when there were a lot of applications in, that's what would have happened.

That capital grants program worked well over the last 12 years. Everybody knew, when they sent in an application, they were going to get paid. That's the way it should be. There's no use in having a program when only half the people can benefit from it, but that's the way the tile drainage program is right now.

In your statement, you say: "A farmer can get a 10-year loan from his municipality to finance up to 75 per cent of the cost of his tile drainage installation. Interest on the loan is at six per cent." You should say, "if there is enough money left by the time he makes his application," because it's really a false statement to say he can get it. Many of them have paid the full shot this last few years.

Hon. W. Newman: As I said last night to Mr. Ruston, when we discussed this at some length, nobody is more concerned about the tile drainage program than I am. I know you are too. There's \$18 million allocated for it this year and we know that's not ade-

quate to cover all the requests that will come in. The municipalities do have the option of saying 75 per cent, 60 per cent, or 50 per cent, or to deal with the money that's allocated to them anyway they wish, depending on their applications.

We are estimating right now there are about \$30 million in applications. That is to be pro-rated across the province. No doubt some of the municipalities are going to suffer. Maybe all of them are going to have to suffer because there is an awareness, which is a good thing, that tile drainage is very important. There's a lot more of it being used in eastern Ontario and in northern Ontario, which I think is great. We sat in these estimates two years ago and a member from the north said, "You should give us money for a program to clear more land so we can grow more crops." He had 100 acres and he wanted to clear another 100 acres of bush and scrubland. If he tile-drained the original 100 acres and got a proper outlet drain he could grow just as much on that 100 acres as he could on 200 acres without tile drains.

I'm very much aware of the fact it's going to be tough sledding this year with the amount of money in the tile drainage budget. There's no doubt about it. It's not going to be easy. We're trying to make it as fair and as equitable as possible to everyone in the province.

Mr. Riddell: How much money have you set aside for the new farm productivity incentive grant?

Hon. W. Newman: I just went through that a few minutes ago.

Mr. Riddell: Could you just tell me how much money?

Hon. W. Newman: There is \$12.8 million, but just a minute.

Mr. Riddell: My understanding is \$13 million is still to be devoted to the old capital grants vote. Is that right?

Hon. W. Newman: No.

Mr. Riddell: How much?

Hon. W. Newman: The Treasurer allocated to us an additional \$8.5 million in the last fiscal year to pay off some of these. That gave us \$18.5 million. We have \$12.8 million and we have \$25 million in applications, so you figure it out. It's somewhere around \$7 million for the new program at this point in time.

We thought we would have a full \$10 million after we'd paid it off, except the capital grants ran a lot higher than we estimated. There was no way we could estimate

because the applications are supposed to be in, but they had to be inspected and processed. In last year's budget the Treasurer gave additional funds to help pay off some of that overrun. The balance of the overrun will have to come out of the \$12.8 million we have allocated for this year. We are anticipating about \$7 million left for the program for this year.

Mr. Riddell: Could you provide us with any more details on the new program? Of any of your programs it's the program the farmers are probably most interested in at the present time.

Mr. McKessock: My next question was about the new program.

Mr. Riddell: It's very vague. You mention it very vaguely in your opening statement. You say the details are going to be worked out. Surely to goodness you could provide us with some details. The farmers want to know whether the program is going to come into effect this year. They would like to know what grants will be available to them.

Hon. W. Newman: On the opening night—I forget the date, to tell you the truth—as we adjourned the meeting I said, “Do you want to take a tour of Guelph and Vineland? Do you want us to show you a film of our new farm productivity program? We will need some advance notice because we need two different projectors to set it up for you to see it here. We could set it up in this room.”

Mr. McKessock: The new capital grants program?

Hon. W. Newman: The new farm productivity program.

Mr. McKessock: Is that the capital grants program?

Hon. W. Newman: It includes part of the capital grants program and the other new program. We are putting together a pamphlet on it. I am quite prepared to set it up here, but we will need at least—

Mr. McKessock: Fifteen minutes?

Hon. W. Newman: No, it is not quite that simple, but if you want to we can set it up. We can't do it tonight. We could probably do it next Tuesday. Are we sitting next Tuesday?

Mr. Chairman: No, on Wednesday.

Mr. Nixon: Trudeau is going to have his great victory.

Hon. W. Newman: With the new government, I might have all kinds of announcements on Thursday in my estimates.

Mr. Nixon: Making up for Eugene Whelan. Heaven help us.

Mr. Riddell: Will these slides or films provide us with all the details we need?

Hon. W. Newman: It will provide you with the kind of program we want to put out in the form of a brochure.

Mr. Riddell: Why not bring it in and show it to us?

Hon. W. Newman: I offered to do so on the opening night of the estimates.

Mr. Nixon: We want it now.

Hon. W. Newman: If the committee would like to see this on Wednesday morning, we can.

Mr. Riddell: For those of us who happen to be out in the rural area, these are the questions we are being asked.

Hon. W. Newman: There is no doubt about it.

Mr. Riddell: I have every respect in the world for Mr. MacDonald. I think he is a hell of a good man and knows about the agriculture business. But I don't think that he has got one asphalt farmer who is coming up and asking him about the farm productivity incentive grant. If he doesn't want to see it, that's tough, but there are some of us who would like to see it.

Mr. MacDonald: Before you came in, I made the prediction that we will have the full details of this program, and well financed next year, as we get closer to the election.

Mr. McKessock: Is this committee sitting next Wednesday morning?

Hon. W. Newman: Mr. Chairman, I am in your hands. If you want to see it on a slide form, we are prepared to do it. If you want to wait until we put the brochure together, which will be mailed out to every ag rep office in the province, that is up to this committee.

Mr. Chairman: Who wants to see it? Let's see a show of hands.

Mr. Nixon: Does it have to be a slide presentation? Why can't you print up something?

Hon. W. Newman: We could print up something, but you would understand it better in slides, I think.

Mr. MacDonald: After the outburst by Mr. Riddell, my suggestion last week was that I would be glad to have this at any time outside of the time of the estimates. When they have the pamphlet prepared so we can read it and we have some idea of it, then we can go and get the slides and hear an

explanation of it. At the moment, the whole thing is sort of in the formative stage.

Mr. McKessock: How long is the slide presentation?

Hon. W. Newman: Depending on how many questions you ask, it is probably close to 45 minutes.

Mr. McKessock: I think we should see it. I think we had a majority of hands, didn't we?

Mr. Riddell: If you are that close to putting out a brochure, why can't you indicate the details now?

Mr. Nixon: That is a good question.

Mr. Riddell: Why keep us guessing on this damn thing, and keep the farmers guessing out there?

Mr. Nixon: Playing games.

Hon. W. Newman: I could go into it tonight.

Mr. McKessock: We can take up the time having the minister spend 45 minutes explaining it or watching the slides.

Mr. Nixon: He can do it in less time than that; he can do it in five minutes if he wants to.

Mr. Riddell: As long as it is not a political statement, we will accept it.

Hon. W. Newman: I am trying to be fair about not talking too long, but I would suggest on Wednesday morning, if it is the wish of the committee, that we have a slide presentation or that I make a verbal presentation. I don't have with me at this moment in time the exact figures and the exact amounts and the details of the various things it will cover. I would not want to mislead you by leaving one of them out. I would like to give you complete details on it because my impression was the other night that you didn't want to do it. Since you would like to, I can either give a verbal presentation on Wednesday morning—I can keep it very brief, and then you can question me on it—or we can have a slide presentation. I am easy.

9:15]

Mr. MacDonald: Mr. Chairman, if a 45-minute production on Wednesday will rescue us now from going around in circles, I suspect it would be time well used.

Mr. Chairman: Next Wednesday at 10 clock.

Hon. W. Newman: Mr. Chairman, so I am clear on this: it will be the slide presentation or verbal presentation?

Mr. Nixon: Slide.

Mr. MacDonald: Bob Nixon won't be here. He is the only person who objected to the slides, so make it slides.

Mr. Nixon: Mr. MacDonald is not going to be here, either.

Mr. MacDonald: Of course I will. It is next Wednesday morning; the Hydro committee is in the afternoon. Get your schedule straight.

Hon. W. Newman: We will set it up and explain it all in detail.

Mr. McGuigan: I would like to somewhat support the minister in his remarks on the farm tax reduction program and the farm productivity—the \$4,000 and \$8,000—because there are, even in Kent county, a few people on small acreages, as the minister said, retired people who are supplementing their income by doing a bit of farming. It is work they have done all their lives and I don't think any one of us would want to deny them that privilege. I would like to suggest that there be some other criteria besides just a matter of money.

I had an experience when travelling in England with a man who was in charge of a subsidy program. I know it is very risky to talk about the programs in England because someone immediately brings up the English disease.

Mr. Riddell: What's that, socialism.

Mr. McGuigan: I asked this person, what if a quite elderly person applied for a subsidy for building?

Mr. Wildman: It's a Liberal disease in Britain.

Mr. Riddell: We are about to see a resurgence of liberalism, whenever our good friend David decides to call an election, which Mr. Newman seems to think will be this fall.

Hon. W. Newman: I just got some good news here, so I missed the question. Go ahead and I will tell you the good news in a minute.

Mr. McGuigan: The answer was that they did not look so much at the person as at the operation; to see whether or not the money would be of value to that farm and of value to the next person to acquire that farm. In other words, they were looking a little further down the road than the particular person on the farm at that moment. That was one criterion they used. I simply offer that as one further thing that might be taken into consideration in deciding who gets grants and who does not.

Mr. McKessock: I don't like Bob Eaton's idea of taxing them, making the capital grant taxable.

Mr. Eaton: Why not? The person with the high income is going to pay and the person with the low income isn't. Doesn't that make sense?

Mr. Chairman: Let's let the farmers decide whether they want to pay taxes.

Mr. McGuigan: We are on assistance to primary food production, are we? I came in late.

Mr. Chairman: That's right.

Mr. McGuigan: One of the programs that proved very successful in the last number of years, in the horticultural industry, is the matter of monitoring the number of insects that are present in an orchard. I think it is called the pest-monitoring program—the type of insect, the number of them, and the proper time for the spray applications. I understand this is being carried out this year on every farm in the Norfolk area. It was carried out in Kent on an experimental basis. I happened to take part in it. This is a matter of putting out traps in the orchard, these Fairon traps that have a sex attractant; the male moth is attracted there and you go and count them.

I found, as an owner-run program, you spend an awful lot of time out there looking with a magnifying glass deciding whether the little hook on the wings is the right hook to identify that insect. The time the operator spends on it is time taken from the normal operation of his business. Of course, in the horticultural business managing your labour is probably the most productive thing you can do.

The point is that very few producers are really equipped to monitor and identify these insects. They don't have the time. Yet the benefits of the program are very great, because you lower the cost of production and also lower the amount of material sprayed out into the environment, which has to absorb those materials. With energy costs getting greater and greater—and the manufacture of most of these pesticides based upon petroleum and petroleum products—it's a very, very useful program. I would like to suggest that it's one that should be carried out all over Ontario, perhaps taking in more crops than simply orchard crops.

It would seem to me a great opportunity for the use of students to do this monitoring, to do this identifying, even if farmers had to pay for it. I know some farmers probably wouldn't appreciate my suggesting that they contribute to the cost of doing this, but I

really believe that in the end it's a great cost benefit to producers.

I would like to suggest that as one of the programs that could really be expanded to the benefit of both producers and consumers, and also of the environment.

My feeling on the matter of energy and producing energy crops is that we are going to need this land for food production in very short order. When you look at the land that is being lost around the world to the encroachment of cities, encroachment of deserts, salinization of soils, we are going to need every inch of Ontario primary food land for the production of food. In that connection, one of the areas that is being neglected the most—I guess we are all guilty—is the matter of soil erosion.

I ride the train back and forth from Chatham to Toronto—I do my best to conserve energy because I ride the train rather than drive. Following the three-inch rain we had in April, when I look out on those fields, especially the rolling lands that have only been broken up in the last 10 or 15 years—there is corn and soya beans that have moved east—I can see the amount of erosion and it's really frightening. The soil ended up, as you recall, down in the mouth of the Thames River last March. We are going to have continuing problems down there, with the silt at the mouth of the river some day filling up or partly filling up Lake St. Clair.

We had an excellent agricultural rep down in our county for quite a number of years. He used to talk about soil erosion and putting up windbreaks, et cetera. Unfortunately the fellow heard the siren song and he left us. I don't know just what he is doing right now but—

Mr. Mancini: Probably nothing useful.

Hon. W. Newman: Oh now, listen to who is talking.

Mr. McGuigan: The fellow left us. We really have a need throughout Ontario for a tree-planting program, for a soil-erosion program. We only have one man talking about it now, Charlie Baldwin at Ridgetown. He is doing excellent work; he is a missionary on this subject. I suggest to the minister that we need every inch of this farm land for food production, and some of it is slipping away from us.

Just to give an example, I will refer to my own industry. In the last couple of winters when we had quite a bit of snow in southwestern Ontario—this is very unusual for us, we are usually without snow there in the winter—the snow ended up in most of the orchards and in the villages. I

blew right off the land. When the roads were impassable, you could still see bare land in the fields. The black spots of bare land were showing through because the fence rows have gone and the tree rows have gone, and that snow all ended up in the villages, in the cemeteries, in the fruit orchards—any sort of place that would give a bit of shelter from the wind. That's an indication of what is happening.

One of the consequences of that was two years ago mice moved in under the snow in the orchards and decimated a lot of orchards. This has never been a problem in the past. It's just an indication of what has happened. I guess it snuck up on us over the years as we have taken out the fence rows, enlarged our fields, and broken up more land. I suggest those are some of the programs where other assistance to primary food production is really needed.

Hon. W. Newman: One of the things you were talking about is pest monitoring, what are we doing in pest monitoring. We think that is a very important program in our ministry. Two years ago we set up a new section within a branch to monitor the effect of pests on soils and crops. Now, our lab facilities at Simcoe are in place as a resource, and staff have been employed to deal with this.

A pilot project is underway in Norfolk county for apple growers. The project has two goals, and I am sure you all are aware of it. The first is to monitor individual orchards and the second, to search for a system so that interested growers can assist in financing the programs specific to their farm. There is a charge of \$1 an acre. There are 50 growers who have signed up at \$1 an acre in Norfolk county, which I think augurs well for the applegrowers there.

Mr. G. I. Miller: It is a very progressive group?

Hon. W. Newman: Except for the way they vote. I was just kidding.

Mr. G. I. Miller: They can't go wrong, Mr. Minister.

Hon. W. Newman: Well, Haldimand and Norfolk are pretty good counties because, you see, my family originally came from Haldimand.

Mr. G. I. Miller: Haldimand? That's good.

Hon. W. Newman: Anyway, \$1.5 million of the lottery funds as I mentioned in my opening statement, will be spent on research on integrated pest-management programs and their extension to growers, which will be done over a four-year period. We have

programs in place now to cover about 70 per cent of the apple acreage, 50 per cent of the peach and cherry acreage, and work is under way to develop practical systems and programs for greenhouse crops, potatoes, tomatoes, pears, grapes, rutabagas, corn, onions, carrots and alfalfa.

[9:30]

All these programs provide the growers specific information on the application of pesticides, how to lower costs, and maintain a high-quality product. It's something we've been hearing a lot about in the House recently. Branch resources of staff and dollars are the same as last year so we are very concerned; we think it's a good program and we are moving forward with it. We are doing research on it. We want to get more participation by individual farmers and the only way we can really do everything to cover it is by, I suppose, a partial charge per acre to do that work. I know I would personally be glad to participate in my particular area.

Mr. McGuigan: Are your intentions to expand this to the rest of the province then?

Hon. W. Newman: Yes, as quickly as funds are available. It's like everything else, but we did get some special lottery funds to research on this, which we think is important.

You talked about speeding up the process, and I agree. Maybe we will try to train on-farm people to decide what shall be done and how it shall be done and so on and so forth. That's part of the overall program to alleviate pressure on our staff so they can be free for other areas. I think it's important that say I, Bill Newman, or you, Jim, could go out to your orchard—you probably can; I've heard you are an expert—and tell exactly what you've got there and know what to spray. A lot of producers do not.

Mr. McGuigan: But even when you learn, it's half a day or day going from this block to that block, and so on. It's really a time-consuming job and the farmer needs that time for his production, not for pest monitoring. I think a student could do that.

Hon. W. Newman: The saving that can come from the amount of pesticides that are used, insecticides—

Mr. McGuigan: Yes, but you have only got so much time. We have a short season.

Hon. W. Newman: Yes.

Mr. G. I. Miller: Is that centralized at the station at Simcoe?

Hon. W. Newman: Yes, it is.

Mr. G. I. Miller: That would be important information, to know where to get in touch and refer to. Will that cover a wide area, will it cover an area—

Mr. McGuigan: It's only of value to your own farm, Gordon, you see—

Mr. G. I. Miller: Yes. But to know where to get in touch, the communications part of it I think would be important.

Mr. McGuigan: Oh, yes.

Hon. W. Newman: By the way, Mr. McGuigan mentioned students. We have 10 summer students on this program this summer. We worked pretty hard on getting summer students for a lot of work that we were doing.

Mr. McGuigan: It's great for them too.

Hon. W. Newman: That's right. Our ministry has 800-and-some students working on agriculture products across this province. It's the ministry that hires the largest number of students, if not, it certainly has one of the largest complements. That's because we have put in our order regularly. Students can do an excellent job. We have 10 students on the pest-monitoring project. We hope that research will simplify the whole system.

The other thing you brought up was soil erosion. Again I come back to the farm productivity program which I outlined in my opening remarks. The program is geared basically to soil erosion, grassed waterways, but on-farm. As you know, the conservation authorities are involved in some of these sorts of programs, but our programs will be geared to on-farm work, to help the farmers make grassed waterways to stop the runoff, and other programs. As a matter of fact, I have got a list: grassed waterways; drop inlet spillways; catch basins; tile outlet protection; construction of terraces; contours; reclamation of a gully; seeding or sodding of banks of watercourses; and control strips or buffer strips beside watercourses. This is for materials only.

So exactly what you were saying is exactly what we're aware of, and this will be one of the main contents of the program.

Seriously, we're very much concerned, and I think when we make our presentation on Wednesday morning we'll show you a few slides of exactly the kind of thing that we're talking about. We've had discussions with Natural Resources.

You talk about windbreaks. We've kind of got away from them in many ways and they won't be necessarily in our program but they may be in a program of another ministry, because windbreaks are important. As

you say, snow still can wind up on the roads, in the towns and everywhere else, when it should be lying out on the fields.

Mr. Watson: The problem in the last two or three years is getting stock from Natural Resources, and last year when we wanted to go out and promote windbreaks we would go and see Natural Resources and they would say, "Order them for the spring a year and a half from now because next year we're not going to have any." When you get people sort of genned up to plant some of these windbreaks and then they've got to wait a year and a half to order trees that are only going to be so high when they get them, they tend to lose interest.

I think the Ministry of Agriculture and Food needs to put the pressure on Natural Resources a little bit to have blocks of these cedars set aside for farm windbreaks and designate those to the fellow who's got two acres, because anybody who has two acres orders them and puts them around the outside of his property and he apparently is willing to wait.

I don't think the people in Natural Resources are against this. They would like some support, I understand, and I've talked to them on a personal basis. They know that a lot of these trees are going into estate residential lots and this kind of thing, and under the regulations they're entitled to it.

Mr. MacDonald: On what basis are they available to the farmers; free or at a minimum price, or what?

Hon. W. Newman: The cost is a cent apiece. If you're going to buy Scotch pine for selling for Christmas trees I think you pay more for them. I've just forgotten the details, but I think that's the way it is, they're a cent apiece.

Mr. Wildman: It seems to me that one of the problems Natural Resources has—and I don't want to go into another ministry's estimates—is that perhaps there isn't the same kind of emphasis being put on it in that ministry at the higher echelons that there might be on ensuring that it gets into the farm community, and maybe there should be some kind of better co-ordination between the two ministries to try to bring this about.

Mr. Watson: As Jim says, this is an old fight of mine, but MNR has a Woodlands Improvement Act where if you have five acres that's fine, they'll go and supply all the trees for five acres and they'll go in and they'll plant them and they'll care for them and look after them. We don't want five-acre blocks of trees, we want lines of trees.

It's just as important or more important for us in southwestern Ontario to put in a line of trees as it is to put in a block of five acres if you happen to have hilly ground some place. The block is important too, I'm not belittling it, but it takes a lot of trees to plant the five acres. We could plant many linear feet of trees and that's all we need.

Mr. Wildman: The question I wanted to ask was, could the minister or some of his staff indicate which MNR nurseries can now sell directly to the public, because I don't think all of them can? Is that right or wrong?

Hon. W. Newman: All I can say, speaking personally, is that if I want trees I contact Orono and I buy directly. I send in an order for them.

Mr. Wildman: I know for a fact—and I'm going to raise this in the MNR estimates—there are situations in some nurseries, certainly the one in my area, where MNR finds itself without the wherewithal to carry out some other seedling programs of its own, and it ends up with extra seedlings that are, in a way, a waste and are not used. Perhaps those seedlings might be made available for the kind of program Jim's talking about. It would solve two problems.

Mr. McGuigan: The ones from southwestern Ontario come from St. Williams; I think that's in the Norfolk area.

Mr. G. I. Miller: They did a tremendous job in in the former county, and now the region of Haldimand-Norfolk.

Mr. McGuigan: I would just finish on one political note. We were talking about sugar beet. I think it was about 1969 or 1970 when I accompanied a farmers' union delegation to see Bill Stewart about the continuation of the sugar beet industry. When he met us at the door he said, "Talk to me about anything in sugar beet, but no money." So, the blame for the loss of the sugar beet industry is not entirely at the doorstep of the federal people. Bill said clearly, "Talk about anything but don't talk about money." I think that was about 1970.

Mr. Watson: What about Ottawa?

Mr. McGuigan: I didn't go to Ottawa.

Hon. W. Newman: I believe some delegations went to Ottawa regarding this and there were some suggestions made, I don't know if there were any promises made, but it's getting close to the deadline now and everybody has made up their minds so I won't get into that.

I just would like to finish up on what you're talking about on soil erosion. I would like to take this opportunity to talk about the

Ontario Soil and Crop Improvement Association which has been a leader in this field and has brought forward many ideas. I must say that a lot of the new program is a direct result of input from them and others too, because the Ontario Soil and Crop Improvement Association has done an excellent job and has worked very hard.

The main emphasis is on this, this year. We are working with our field people on soil erosion and windbreaks and grass waterways on an educational basis as well as the program that will be coming out because I didn't know for sure whether we would have the program. There has been an educational program going on, people have been meeting—there's a major meeting of all our extension people in two weeks, at the end of May—and they've asked me to go and speak to them, where they discuss the various programs that we have in the ministry, and where we're going.

The Ontario Soil and Crop Improvement Association will be given a grant for demonstration projects across the province and they will make the decisions rather than us. It won't be a big grant but it will be some sort of demonstration program. I just want to give them credit in passing for what they're doing.

I also want to talk about the windbreaks which I think are a good idea. You've got to have that bit of balance somewhere along the way. You've got windbreaks for soil erosion and to hold the snow, which I think is good, and also you've got to be careful of windbreaks. It's exactly what somebody was saying here; these people get five acres, plant them all to trees, that creates more birds and then you get more crop damage and you get into a few problems.

As far as windbreaks and trees are concerned I would be quite glad to pursue that with the Minister of Natural Resources (Mr. Auld). I've always ordered trees—not every year, it depends on whether my children have summer jobs or not—but I've always been able to order them and I don't think I'm treated any differently than any other person who would order trees. I always try to order them a year ahead of time. I don't use that many, maybe 100 a year; we plant windbreaks or replacement trees. Certainly I'll be glad to pursue that aspect with the Minister of Natural Resources.

One thing I would like to mention and, Mr. Chairman, I don't know whether I should call it a point of order or a point of privilege, but I have just been informed that the Canadian milk supply management committee which is meeting in Toronto, that it looks

very hopeful that Mr. Choquette will be announcing an increase in the market share quota, hopefully tomorrow.
[9:45]

Mr. MacDonald: It's a good thing. Elections have a useful purpose.

Hon. W. Newman: They sure do.

Mr. MacDonald: We've only been living with that problem now for three years.

Hon. W. Newman: I'm not sure whether I'm going to put that in my Election '79 file, or whether I'm going to be able to use it.

Mr. McGuigan: Osie's the one who should get the credit.

Hon. W. Newman: Osie worked very hard on it and knows as much about the milk industry as anybody in Ontario or Canada. He really knows the milk industry.

Mr. Chairman: The farmers may hear it when it comes to the market. They know what they're up against.

Hon. W. Newman: It might have something to do with next Tuesday, or it may not. I tell you, any help is welcome and it's too bad they couldn't have done it when it should have been done. We won't go into it any further because I might make a political speech about Mr. Choquette but, anyway, that looks like good news for tomorrow.

Mr. Chairman: Mr. McKessock, do you have any questions on this?

Mr. McKessock: You mentioned the special projects for the Ontario Soil and Crop Improvement Association. On page R21 I notice they have \$40,000 allocated to them. Is that for this year's special products or do they get allocations like that each year?

Hon. W. Newman: This will be an additional amount. It comes out of the other program.

Mr. McKessock: I notice the Ontario Soil and Crop Improvement Association gets \$5,000 as compared to the Ontario Beef Performance Association which receives \$500. What is that small amount of money used for under the Ontario Beef Cattle Performance Association?

Mr. MacDonald: It's for a box at the Royal Winter Fair.

Hon. W. Newman: Just a second now.

Mr. Chairman: They won't even let you in it.

Mr. MacDonald: I'll bet you in writing.

Hon. W. Newman: What vote are we on now? Will you give me the page of the vote you're on?

Mr. McKessock: R21.

Hon. W. Newman: Vote 1902, item 2.

Mr. Chairman: I don't want to interfere but, after all, I think we had a very broad 10 hours of discussion before we started to pass any items. I think we should follow pretty well each item and discuss it. Sui yourselves, but we have about six hours left to pass the rest of the estimates, when this is finished tonight.

Mr. MacDonald: Two more periods. Five hours.

Mr. Chairman: It's up to you. I don't care how you spend it.

Mr. Riddell: He's a beef man and a free enterpriser and he doesn't believe in hand-outs.

Mr. MacDonald: Be careful, because the Ontario Beef Cattle Performance Association's \$500 is for the directors' expenses.

Mr. McKessock: On page R23 there is the item "grants re bank loans to farmers, \$1.9 million." Can you tell me what that is? Is that the tile drainage loan?

Hon. W. Newman: Grants re bank loans to farmers is the young farmers' thing. Isn't it? It's the Industrial Milk Production Incentive Program loans, the grants re bank loans to farmers. It's IMPIP direct to the milk production incentive program loans, and the grape conversion program.

Mr. McKessock: Okay. The Ontario Junior Farmer Establishment Loan Corporation deficit is \$1 million. Is that subsidized interest? Is that deficit, or what does that deficit mean?

Hon. W. Newman: It's the difference between the mortgages they originally got under the old program, which I believe were at five per cent, and today's interest cost.

Mr. Riddell: How much money is still outstanding on the junior farmer loans?

Hon. W. Newman: Well, let's see. Have you got it there? I've got it here too, but it would be easier for somebody to find it.

Mr. McKessock: Thank you, Mr. Chairman.

Hon. W. Newman: We're going to get it for you. You just hold on, we'll give you the junior farmer outstanding loan.

Mr. Riddell: How many more years does it run until it's completely liquidated?

Hon. W. Newman: It's roughly \$57.5 million.

Mr. Sewell: The longest would run for another 20 years, I should think.

Mr. Riddell: Another 20 years?

Hon. W. Newman: Roughly 20 years.

Mr. Riddell: Have you ever thought of reinstating a loan of that kind for the Ontario farmers using more realistic values than the Farm Credit Corporation?

Hon. W. Newman: We have the primary loan now, as you well know, at prime plus one which is available.

Mr. Riddell: The young farmers' loan, yes.

Mr. McKessock: It's at thirteen per cent.

Hon. W. Newman: It is at prime plus one.

Mr. McKessock: That's pretty high interest.

Hon. W. Newman: About 15 per cent, okay. But by the same token the Farm Credit Corporation, after these programs came along, has I've forgotten how many million dollars; they are now going into the private sector for an additional \$200 million, I believe, for loans to farmers. You've got to make a judgement call and say, "Look, what is the total amount that Farm Credit—"

Mr. Riddell: What's this business about the private sector?

Hon. W. Newman: Farm Credit Corporation is arranging finance outside of the government, for additional funding, because they only had X millions of dollars, I can't tell you exactly, but because they ran short of funds they have gone out and are now making guarantees. They're working with banks and trust companies, I understand for—is it another \$200 million? Can somebody tell me? I'm only going by guess because it is a federal program, but I believe it's another \$200 million, isn't it? We're going to ask Andy's brother to tell us.

Mr. Riddell: The Liberal member of the family.

Hon. W. Newman: You just got him in trouble. Now, don't do that.

Mr. Watson: Is that possible?

Hon. W. Newman: We'll get the figure, but whatever it was, it was insufficient. I don't want to get back to the details of that tonight, unless you want to, but we're prepared—we haven't yet, I'll be honest with you—to recommend to Ottawa that any non-resident who comes in and buys a farm should not be allowed a Farm Credit Corporation loan. That should go to somebody who's going to come and live here; utilize the land here and farm it. We're putting together some papers on that now. But the Farm Credit Corporation is now looking at the private sector for additional funding for farmers.

Mr. Riddell: Perhaps when you're making suggestions to him, you might also suggest that if an institution, such as a bank, is pre-

pared to lend a farmer four times the amount of money that the Farm Credit Corporation is prepared to loan for a mortgage, the Farm Credit Corporation may well take a look at relinquishing the first mortgage to the bank. In some cases they do, and in other cases they don't. I don't know how they differentiate. I've had cases where farmers have gone into—well, have tried to get the money from Farm Credit Corporation; can't do it; have gone into a bank, a bank assumes that the farmer is a good risk after—

Hon. W. Newman: They are all good risks.

Mr. Riddell: —taking a look at his financial standing. But the reason the bank won't go ahead and lend him the money is that they can't get a first mortgage. The Farm Credit Corporation will hold on to that first mortgage. The bank's prepared to lend quite a bit more money, but can't do so because, as I say, they can't get that first mortgage away from the Farm Credit Corporation.

Maybe you might suggest to them, if you're talking to them, that if a bank's prepared to go much further than they are, then I see no reason why they shouldn't be prepared to relinquish, or whatever the proper terminology is, that first mortgage to the bank.

Hon. W. Newman: Okay, if I'm reading you correctly, FCC should give up their first call on it, give that to the bank.

Mr. Riddell: That's right.

Hon. W. Newman: And let FCC come in on the second portion, or the banks come in on the second portion? The second mortgage on it.

Mr. Riddell: Let FCC take the second mortgage on it. A case in point: One of the bankers in my area contacted me and said he was prepared to lend a farmer \$200,000 for additional land. The Farm Credit Corporation were holding a mortgage, I believe, of \$90,000. When I got in touch with the FCC, I suggested that they allow the bank to take the first mortgage and that the FCC take the second, because you can't tell me that the bank is going to lend a farmer money if they don't think that farmer's a pretty good risk. But no way would the FCC go along with it, so the chap ends up with no loan from that bank.

Mr. Watson: That's what they said their policy was—that they would give a second mortgage if the first mortgage was at a better rate. So you just tell your bank that they're to give them a better rate than Farm Credit, and then maybe they'll back off.

Mr. Riddell: That's being a little unrealistic.

Mr. Watson: It is not being unrealistic because it has been done for the people who held the junior farmer mortgages, where we had the first mortgage and they backed off. It has been very helpful to a lot of farmers.

Mr. Riddell: But have you had farmers come up to you, Mr. Minister, and say that as far as they are concerned the FCC is no longer serving a useful purpose?

Hon. W. Newman: I've had a few, but a lot of them are quite happy.

I have had letters, with particular problems, with Farm Credit and with banks and moving back to what you're talking about. But under the Farm Credit Corporation Act, I believe—and I stand to be corrected—they can take second position if they so desire. In their legislation they are entitled to do just that. They can take a second mortgage or a second position. Is that correct? Apparently, they do it for our junior farmer loans.

Mr. Riddell: They do it for the junior farmer loans. I think they should be doing it more frequently with the FCC loans.

Mr. Watson: If somebody has a mortgage at a cheap rate, they'll take a second. Where the interest rate is more desirable, and it can't be changed—it is left in a will or something that an aunt is to hold a mortgage at a certain rate—then Farm Credit will take a second mortgage in those circumstances.

Mr. G. I. Miller: Can I ask a question? Did you say, Mr. Minister, that there is a fund available at the provincial level for farm loans?

Hon. W. Newman: Young farmer loans, yes, at age 35.

Mr. G. I. Miller: How does he achieve that.

Hon. W. Newman: He makes application; he is interviewed by the appropriate people in the ministry.

Mr. G. I. Miller: Through your ministry?

Hon. W. Newman: Yes, I think it is basically for livestock.

Mr. Riddell: It can be used for any purpose can't it?

Hon. W. Newman: I'd have to check.

Mr. G. I. Miller: —and it's one per cent above prime.

Hon. W. Newman: Prime plus one, yes.

Mr. G. I. Miller: How much money was utilized last year?

Hon. W. Newman: I don't know whether

it was 270 or 280 loans. The total amount of money is around \$8 million.

Mr. McKessock: What is the age limit on that?

Hon. W. Newman: Up to 35.

Mr. Riddell: Eighteen to 35?

Hon. W. Newman: Yes.

Mr. McKessock: Is that capital, or is it for farms, livestock?

Hon. W. Newman: For cattle. If you want to buy some cattle, and you are hard up.

Mr. McKessock: My son might be interested.

Mr. MacDonald: I could see the wheels grinding.

Mr. Riddell: Down at the bottom of R23, it says "recoveries from other ministries, \$1 million." What are you recovering from other ministries?

Hon. W. Newman: Sometimes I wonder. The Minister of Northern Affairs (Mr. Bernier) has in his budget so much money for northern Ontario development. We pay it out; we administer the program for them, and then we get the money back from them. It is their program, but because we have the staff in place we administer the program for them.

Mr. Riddell: Thank you, Mr. Chairman.

Mr. Chairman: Mr. Wildman.

Mr. Wildman: Thank you. You brought up what I was going to raise in the northern Ontario agricultural development. I don't want you to go into a lot of detail, but can you give me some breakdown of that \$1 million you just mentioned?

Hon. W. Newman: A breakdown of the million-dollar program?

Mr. Wildman: I realize it's a pass-through.

Hon. W. Newman: Basically, what happens in this program is that so much money is allocated. It's worked out on a formula basis—the number of acres farm land et cetera. You know this because I was up in your riding. The local committee is given so much money. That committee is selected by the farmers in the area and they decide how that money is going to be spent. On occasion somebody will come in and say, "They are spending it wrong; they are doing this wrong, or that wrong." I say, "You have a local committee that is elected by farmers."

[10:00]

That's the kind of program I like. We give it to them—mind you, we audit it—but they decide if they want to spend it on subsidizing transportation of fertilizer, or whatever they want to use it for. That com-

mittee decides for the area. Each farmer in the area is entitled to so many dollars in that particular program.

Another program has been started this year in northern Ontario, the innovative program. I believe it's got about \$250,000 in it. Farm groups or farmers bring in various programs they think should be put into place. I did have a list of the innovative programs that were started this year—

Mr. Wildman: That's the one I was interested in.

Hon. W. Newman: Okay, if you could just hold on, I'll get someone to hand me that innovative program list. Which area were you interested in?

Mr. Wildman: I'm interested in the north-east particularly and Algoma-Manitoulin, and Timiskaming.

Hon. W. Newman: Algoma. I guess that really is of some interest to you.

Mr. Wildman: Yes, it certainly is.

Hon. W. Newman: Improvement to co-operative livestock sales barn. Expansion of facility to provide improved marketing facilities for a heavier class of cattle to the Algoma co-operative livestock sales. Construction of an 80 by 200 foot building to accommodate increased numbers and larger lots of heavier cattle; extend the roof over sales ring and renovation of old section of the facilities.

Mr. Wildman: I don't want to get into particular local things, but does that relate at all to the community pasture program?

Hon. W. Newman: No, this one doesn't. That's under ARDA.

Mr. Wildman: It was under ARDA. Fine.

Hon. W. Newman: It was under ARDA. It still is in the negotiating stages in the general development agreement and I think I covered that in the House the other day.

Mr. Wildman: Can you tell me if there is any further movement in Manitoulin? How does the money breakdown compare in, say, Manitoulin district, or on Manitoulin Island, as opposed to Algoma? Can you give me some idea?

Hon. W. Newman: Algoma gets \$53,000; Cochrane North, \$31,000; Cochrane South, \$26,000; Kenora, \$21,000; Manitoulin, \$63,000; Muskoka-Parry Sound, \$55,000; Rainy River, \$66,000; Sudbury, \$54,000; Thunder Bay, \$58,000; Nipissing, \$64,000. I just ran those off to the nearest thousands. They're done on a very equitable basis. They're not done on any political basis.

Mr. Wildman: No, I wasn't suggesting that. You were the one who raised it.

Hon. W. Newman: I would never want you to think that we're anything but fair.

Mr. Wildman: Can you also tell me, just on one short question, Mr. Chairman; we'll want to get into the ARDA situation on the next vote, but can you tell me what progress at all has been made in terms of encouraging tile drainage in the north?

Hon. W. Newman: If you recall, last year—and I stand to be corrected by the staff—we did some experimental work up there last year and, I think it was in New Liskeard and somewhere else, we actually showed the advantages of tile drainage to the farmer-producers in the north. Because of the short growing season you have in the north, this will extend on an average the growing season considerably, because you can get on the land sooner. The soil doesn't stay as cold. You will have better drainage facilities. You would have more frost-free days on that land with tile drainage.

I think it's a very critical situation in the north. I foresee—and I see it starting now—that you're going to see a tremendous expansion in tile drainage in the north. Keeping that in mind, I realize the problems they're faced with in the overall financial matters, but I think we did two demonstrations on tile drainage last year. One at Thunder Bay and one at New Liskeard. As a matter of fact there's been a tremendous response to these, and I think this is a very good thing.

One of the things that was to be in the ARDA or the general development movement was a section in their funding for technology transfer, so that we can get that technology from where it is up here. I mentioned this was in the magazine that was handed out—it was for scientists but written by a layman so that people will be able to understand it. I guess what I'm saying is that to get that technology out to the people is very important.

Mr. Wildman: As you know, more farmers in the northern areas, because your ministry has been encouraging further tile drainage, are becoming interested in it. Some of them have had some difficulty in getting the people in to do it. The distance, I suppose, is a factor—it's a long way to come. So now you've got some interest there—

Mr. Watson: They don't like working in areas where there is stone.

Hon. W. Newman: There is some good land up there.

Mr. Wildman: You guys don't know how much good land we've got up there.

Hon. W. Newman: You are darn right I do. I talk about it all the time; you know I do.

Mr. Wildman: Oh, I was just talking about some of your colleagues, Mr. Minister.

Hon. W. Newman: Kent county's a little different. We understand that.

Mr. Wildman: You've been sitting close to Ed Havrot in the House; surely you've heard of the clay belt.

Mr. MacDonald: That's the two million acres they're going to tile drain to use when they've asphalted over the southern part of the province.

Hon. W. Newman: Oh, now, now. Mr. MacDonald, you should take a trip north, and—

Mr. MacDonald: I have been there before.

Hon. W. Newman: Oh, you've been in northern Ontario? Well, I am certainly glad to hear that. Sometimes I've wondered.

Mr. MacDonald: A few hundred times.

Hon. W. Newman: A few hundred times? Where do you find time to stay in the House? Anyway, I'm only kidding.

Mr. Wildman: He's been here a long time. He's had a lot of time to go up north. Donald MacDonald is an institution in northern Ontario; and he's become an institution in rural Ontario, too, for that matter.

Hon. W. Newman: Yes, he has. He sure has.

Mr. Eaton: Can you give us some indication of what is being done to try and alleviate this problem of getting people up there to do the tile drainage?

Hon. W. Newman: In the north nothing comes fast. I think it was you I dealt with who—

Mr. Eaton: That's right.

Hon. W. Newman: One of the municipalities wouldn't even pass a bylaw. I think we sent a staff member up to try and convince the municipality that it wasn't going to hurt them to pass the bylaw, and I think they eventually passed it—is that correct? So it just takes a little time. But there are five licensed companies now operating in the north installing tile drains. They like to move into an area and do a certain number—

Mr. Wildman: Get a number of farmers and farms together.

Hon. W. Newman: That's right. But there are five licensed tile drainage operators in the north now. I think that that augurs well.

You go back three or four years, and I don't know what was there.

Mr. Eaton: I think the greatest stimulus to tile drainage in northern Ontario was a visit of the land drainage committee through there.

Hon. W. Newman: That's right.

Mr. Wildman: I thought it was the snowmobile committee. I wonder if you could impress upon your colleagues that we've got some pretty innovative and hard-working farmers up in the area, and when you look at, for instance, DHI this year, and the record of some of the Algoma producers in that program—some of the best developments taking place in the province are taking place in northern Ontario.

Hon. W. Newman: That's right. You can be very proud of the fact that the Tory party did a great job in northern Ontario to promote agriculture.

Mr. Wildman: Oh, no question, I think that you fellows have been milking the province for a long time.

Hon. W. Newman: Anyway, you probably saw the announcement the other day about the studies that are being carried on regarding the potential growing of commodities to service the markets in northern Ontario? Mr. Bernier put the announcement out in conjunction with me. I think that will be a very useful study, and it has a fair amount of northern input into it, which I think is very important. I think that study will bring some good recommendations forward. We have representation on it, too, of our people.

Mr. Wildman: The only other thing I wanted to raise under this vote was a matter I raised with you once before. You wrote me a letter on it, I think a reasonable letter, but one in which you disagreed with me. I had raised the question of the recommended crops for certain types of soil and areas across the province.

Hon. W. Newman: Field crops.

Mr. Wildman: I hope none of your ministry officials got the impression I was attempting to embarrass anyone; I wasn't. I did quote a gentleman from Kemptville who had come in. Grant Mitchell, the ag rep in our area brought him in to talk to the farmers and do a couple of twilight tours and so on. At that time he indicated that in some cases our area was closer to western Quebec or Manitoba in terms of soil conditions and other conditions. He suggested that perhaps some of the recommendations made in those areas might have more applicability in some cases in our area—not in all of course.

I know you pointed out to me in reply that certainly nobody's limited in what they can plant and so on, and that the ag rep in the area can make different recommendations obviously. But I raised that seriously because the gentleman from Kemptville did point that out. I just thought it might be something to look at and perhaps pursue for the benefit of the farmers in our area, who face somewhat different situations than people in the very rich areas in southern Ontario with longer heat units and greater heat units and so on.

Hon. W. Newman: We have been doing some work on it. I'm not that familiar with this, but there are certain varieties of potatoes with better keeping qualities that will grow better in your part of the country.

Mr. Wildman: The last potato producer in the area just went out of business.

Hon. W. Newman: Yes, I'm aware of that. But there are potentials, and that's why we think there are potential markets up there. One of the biggest problems you've got up in northern Ontario—and let's not kid ourselves—is transportation costs. That's not within my ministry, but it is a problem. We got into that the other night about the transportation of rapeseed oil coming in from the west.

But I sincerely believe there is a tremendous potential in the north to service ourselves, so to speak.

This is completely out of my sphere, but I don't know whether or not there will be a nuclear plant somewhere in the north where waste hot water can be used to grow crops in import replacements, but not only that—they save a lot of transportation costs. We're looking at them, and if the plants do go ahead, that's great, because I think you can use their waste water to grow some of the finest vegetables; I've seen them.

I remember talking to somebody in Thunder Bay last year. He had called me about matter and I called him back; he'd been up all night spraying his strawberries. He'd had his irrigation system on all night because of a heavy frost—it was covered with ice. He said, "I don't think I lost any more than 10 per cent of my crop." They're innovative, hard-working people up there and I have to admire them.

We could probably establish more on-farm variety tests if growers are interested. We've had a look into that. We're expanding the facilities at New Liskeard—we bought the old hospital there and we're going to expand our facilities at New Liskeard and as we get the funds out we'll be doing additional work there. That's how important we feel

it is. I was up at New Liskeard myself two weeks ago and there's still a little ice and snow up there. But it's pretty country to fly over.

Mr. Wildman: I really appreciate that.

Hon. W. Newman: It's pretty country to travel over, too. I only use New Liskeard as an example because I've been up all through that country.

Mr. Wildman: Yes, I'd really appreciate it if you would look into that and get in touch with Grant and—

Hon. W. Newman: All right, I'll ask someone to make a note to get in touch with Grant.

[10:15]

Mr. Wildman: The one other thing I just wanted to follow up were some of the suggestions that were made in relation to energy and fuel experiments that were being suggested there. I know the work that was being done in Kemptville and in eastern Ontario with regard to fast-growing poplar. As I said earlier, one of the few things I agree with the member for Timiskaming (Mr. Havrot) on is that we have a tremendous amount of waste timber, in the north and northeast especially—waste in the sense that up until very recently it has not been particularly useful in the timber industry but it may be in the future; it's possible, there are experiments being made in the timber industry using different types of species.

Perhaps the methanol, when and if it becomes more economic, is something that we should be looking at on some of the farms, especially some of the farms that have gone out of production or have less being produced on them. There are a lot of farms where, when the north first opened up during the 1880s people came in and cleared land and found the land wasn't really as productive as they were used to. After a couple of generations, they moved out and maybe worked in the bush, or left and went into agriculture and other areas. A lot of former farms have reverted to crown land but many of them are owned privately. Many have grown up in poplar and so on, and maybe that's something that we should be looking at for the northeast as well as eastern Ontario. Of course, you don't produce a glut if you ever had the market. But, I think it's something that should be looked at in our area as well.

Hon. W. Newman: Yes, more and more of course, in the pulp and paper industry—I shouldn't even be talking about this, as I'm not that familiar with it—they're able to use

chips as almost any sort of wood really. It's amazing what they can do with it.

Mr. Wildman: Thank you, Mr. Chairman.

Mr. Chairman: Mr. Miller, you have a question.

Mr. G. I. Miller: There was one question concerning crop insurance. I think we had a request, and you maybe came back with an answer, on blue-grass seed farmers. Is there any crop insurance that would cover small seed?

Hon. W. Newman: We've brought in so many new programs this year, I'd have to ask Henry Ediger if there is a particular program for blue grass.

Mr. G. I. Miller: No, I just wanted to ask about small seed generally, insurance to encourage seed production.

Hon. W. Newman: Basically, as far as I know—and as I say, Henry can answer—it's hay pasture crops. As you know, we have had a few problems with that program and I guess I must take responsibility for it. When I was in northern Ontario in July about three years ago I said we'd bring in a program—it's a good program; it stimulated yields. There have been some problems; there still are some problems; there are still some families unhappy with it. I know that the Crop Insurance Commission, an independent commission, has done a great job in trying to alleviate those problems. They have gone out and explained to people exactly how the program works. As far as small seeds are concerned I don't think they are included, but I would ask Henry to confirm that.

Mr. Ediger: No, there isn't any plan yet. We've had a couple of requests but no real formal requests for a plan.

Mr. G. I. Miller: How would one go about making a formal request? This farmer does specialize in growing blue grass, and has been really successful at it, although I think a couple of years ago, maybe three, they had a bug that got in which was quite devastating. They had to do considerable spraying and they asked if it could be covered with crop insurance.

Hon. W. Newman: As far as blue grass or any other commodity is concerned, you really need a large enough base, enough farmers for the commission to establish a premium structure to work effectively. I guess that you have to let the Crop Insurance Commission decide how big that would have to be. You may have one farmer who would like crop insurance for his blue grass and I don't know how many blue-grass

farmers we would have in the province. There would have to be a large enough base to spread the risk out as in any other insurance program.

Mr. G. I. Miller: How many blue-grass farmers are there? Do you have any idea?

Mr. Ediger: I have no idea.

Mr. G. I. Miller: Can you get that information through the Ontario Soil Crop Association if they're having a meeting in the next couple of weeks? Would that have been discussed by that association?

Hon. W. Newman: I wouldn't get into the details of how many there are across the province. I am not sure. There is one large blue-grass grower by the name of Mehlenbacher. Is that the one you are talking about?

Mr. G. I. Miller: That's the one I am referring to. And that was the one that made the request, yes.

Hon. W. Newman: Yes. We told the Canadian Seed Grovers Association we'd be able to give a list of the—

Mr. G. I. Miller: Have you ever had any other requests from any other seed specialists?

Hon. W. Newman: No, I've known Bruce for probably longer than you have.

Mr. G. I. Miller: Well, it depends how old you are.

Hon. W. Newman: That's what happens every time they introduce me. I have to change that little card now where they say when I was born so everybody knows how old I am.

Mr. G. I. Miller: What year was that? And then I'll tell you if you have known him longer.

Hon. W. Newman: It's no secret, 1928.

Mr. G. I. Miller: I think I have known him longer than you have.

Hon. W. Newman: Have you?

Mr. G. I. Miller: Yes. I've lived there all my life.

Hon. W. Newman: Good for you. Maybe it's time you—no, no, I won't say that!

Mr. G. I. Miller: Okay.

Hon. W. Newman: Go ahead, I am sorry.

Mr. G. I. Miller: Just the question on that clarifies it, give the answer and I guess it's up to them, if there is enough interest then perhaps it could be accomplished but at the present time, no.

Item 5 agreed to.

Mr. Chairman: Shall we carry the following supplementary items: Payment of guarantees,

the Financial Administration Act; Subsidy payments to the Ontario Crop Insurance Fund, the Crop Insurance Act; and tile drainage debentures, the Tile Drainage Act?

Agreed to.

Vote 1902 agreed to.

Mr. Chairman: You have done pretty well. I think we'll go on vote 1903 on Wednesday at 10 a.m. We'll have that film here so be here at 10 o'clock. The vote is on the rural development programs, so it will fit in pretty well.

The committee adjourned at 10:27 p.m.

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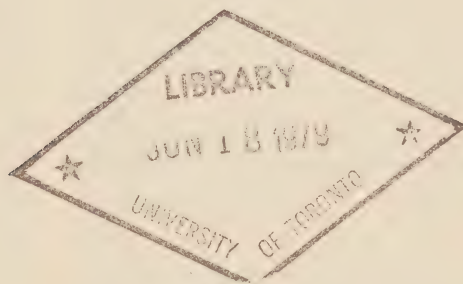
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Wednesday, May 23, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, MAY 23, 1979

The committee met at 10 a.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Chairman: The presentation is just about to start.

Hon. W. Newman: If there are any questions as we go along, feel free to ask them.

Mr. George: Mr. Chairman, we are here this morning to provide you with some details of the new farm productivity incentive program—that is our purpose for being here this morning—and also to provide a comparison between the new program and the terminated capital grants program.

With regard to the new program, the term of the program is five years, commencing April 1, 1979, and running to March 31, 1984. The basic eligibility requirements for the program are as follows: first of all, it is required that an applicant have a minimum of \$8,000 gross annual agricultural income. This compares to the \$3,000 requirement under the terminated capital grants program. In addition, it is required that an applicant's principal residence be in Ontario. The slide will give you some further explanation as to who qualifies.

First, an owner-farmer is eligible to apply under the program or an owner who leases or a farmer or a farmer who leases Ontario government land. Partnerships and corporations are eligible for a single grant, the same is individual farmers. A spouse who has a farm which is operated and managed as an independent unit is eligible for a grant.

There are two components to the program.

Mr. MacDonald: Could I ask a question? wanted to go back to your definition of "principal resident." Would your definition of "principal resident" earlier and this definition here as to who can qualify, exclude a company that is incorporated in Ontario under Ontario laws and with Ontario officers, but whose principals would be Swiss or German or American or you name it?

Hon. W. Newman: If it is an Ontario company with an Ontario address, then it would qualify. If it is a company with a foreign

address, my understanding is it would not qualify. Is that not right?

Mr. George: That is right.

Mr. MacDonald: But a family farm can incorporate and be a company.

Hon. W. Newman: Right.

Mr. MacDonald: Does your definition exclude a company that is set up, in effect, to hold land on behalf of foreigners in Ontario?

Hon. W. Newman: Not if we know about it. I mean if it is foreign-owned. Is what you are saying a dummy Ontario company?

Mr. MacDonald: Yes or front Ontario.

Hon. W. Newman: Or a front Ontario company. If we found out about that, I don't think it would qualify. We have discussed this and it is a grey area. It is a tough one to deal with.

Mr. MacDonald: I agree.

Mr. George: It is indicated there are two components to the new program. The A part or the first component consists of grants for soil management and erosion control. The B part or the second component of the program is grants for production facilities.

It is our intention to give a fairly in-depth description of each of these components separately but, before doing so, we would like to show you three or four slides which are indicative of the problems that the grants for soil management and erosion control are designed to deal with.

[10:15]

For example, here is a slide of water erosion through a cornfield which presents serious erosion problems. The main cause of this is a lack of a grass waterway through that low spot.

The next slide is a slide of rill erosion off the side of a hill. After a heavy rain you can see the rills or the little gullies starting across that field and the soil moving down wherever the water is going and collecting in the ditches, or the streams, or whatever.

The next slide shows an unprotected tile drainage outlet where the outlet is beginning to erode away. Eventually the tile at the outlet could collapse and block the drainage and the utility of the tile drainage system.

The next slide is a slide of some wind erosion, a rather startling example of where surface soil has eroded off the field and is collected on a county or a township road. The cost that would be associated with this kind of erosion is not only the impact on the productivity in the land from which the soil was transported, but also the cost associated with cleaning up the material that has collected on the road itself.

The next slide is an example of livestock watering on a stream bank and a portion of the program is designed to protect stream banks from cattle watering.

I would like to move now to describe the—

Mr. G. I. Miller: Can I ask a question with regard to erosion? Is there any thought given to lakefront erosion or protection under this program?

Hon. W. Newman: I can just answer, I am only sitting over here so I can see the slide presentation. If any system is set up to keep cattle from creating a problem with runoff, it would qualify for the grants. That is my understanding. Is that right, Dave?

Mr. George: Yes.

Hon. W. Newman: Whether it is a stream, or a lake, or whatever, if alternative watering facilities can be found there would be a grant towards it. It is not mandatory, but it is—

Mr. G. I. Miller: But there is no intent for lake—

Hon. W. Newman: As I said, lakefront. If you have 100 cattle going down to the lake to water and you want to take advantage of the program for alternative watering facilities, some will and some won't, depending on the circumstances.

Mr. George: As indicated, there are two components to the program. I would now like to give you some detail on the component dealing with soil management and erosion control, describe the grants that are available, and so on.

Hon. W. Newman: Could I just make one comment? I am sorry to interrupt you, Dave. Dave always makes an excellent presentation. This grant for soil management and erosion control program is basically a new program. Everybody is eligible for this program, whether or not they have got anything before. I just thought that should be clear.

Mr. George: I think the other point, Mr. Minister, that might be worth nothing is, as I indicated at the start of the presentation, I wanted to explain any relationship

that existed between the farm productivity incentive program and the terminated capital grants program. This component of the program bears no relationship to the terminated capital grants program. We will come to a part of the program that does and I will explain that later.

So all farmers who meet the eligibility criteria are eligible to apply for appropriate projects under this program. The grants that are available are 40 per cent of the capital cost of projects, to a maximum of \$3,000 per farmer, during the life of the program for the three items that we will come to below—A, B, and C.

In the A part of the program, there are grants available for erosion control devices and on the slide we will list those devices. Further, the maximum grant available under this portion of the program is \$1,500, and the devices are listed. The devices that would be eligible are grassed waterway and buffer strips, drop inlets, spillway catchbasins. That should read "tile outlet protection, terraces and contours and reclamation of a gully."

Mr. Riddell: I take it then that tile, or tile drainage, is not considered a measure for controlling erosion? In other words, you don't have it if you're going to get a lot of surface runoff. If you have tile in the field the water would run down and out. So farmers want to apply for the loan for tile drainage, as they did with the old capital grants program, they wouldn't be eligible. Is that a correct assumption?

Hon. W. Newman: If I could answer that for you, Jack, that will come in the second part of the program which we'll outline as far as tile drainage is concerned in the grants. I could answer it now if you like but it will come up in the second part, in the second phase.

Mr. George: I have another slide to indicate to you some of the examples of the types of devices. You will recall the earlier slide we showed you of the erosion through the cornfield: here is another example where erosion devices have been put in place in the form of a grassed waterway, and would offer a great deal of protection as far as containing or eliminating erosion through this particular field.

The next slide is an example of strip cropping, where you alternate cultivated ground with covered ground thereby reducing the speed and the flow of water across the field, and minimize potential erosion problems.

The next slide is a slide of a ditch across the field. It's been well designed, and you will notice in particular, the grassed strips on either side of the ditch, or the buffer zone. This is to maintain the structure of the banks along the side of the ditch, and farmers would be encouraged to leave that kind of a buffer strip along all open ditches across fields.

The second item that's eligible under this program is manure storages. The amount of grant that is eligible, in this category, for which the farm would be eligible, would be up to \$3,000, for the construction of manure storages. Types of storages that would be eligible are on the slide. It includes liquid manure tanks, semi-solid manure storages, and pads for solid manure.

We have another slide here to give you an example of what a circular, cement liquid manure storage tank would look like. It's that type of a project that the grants are designed to provide an incentive to farmers to construct these kinds of devices.

Mr. Riddell: Why more emphasis on the manure storage than erosion control devices? This tying in with the environment?

Hon. W. Newman: Perhaps partly but one of the biggest problems that we've been faced with—we're not stopping anybody from doing it—is the winter spreading of liquid manure and solid manure. We feel that it's according to the studies that have been done, perhaps the way you get more runoff than any other form, and thus the emphasis on this.

Mr. G. I. Miller: I have one further question. Will that type of equipment be assessed and taxable?

Hon. W. Newman: I can't answer that question.

Mr. G. I. Miller: I think it is, but I was concerned because it maybe discourages the use, and maybe encourages the lagoon systems being utilized.

Hon. W. Newman: No.

Mr. Lantz: There has been accelerated depreciation on those tanks.

Mr. G. I. Miller: So they are assessed and taxable? Is that a concern to the minister?

Hon. W. Newman: I suppose it's all a part of the farm situation.

Mr. Havrot: It's the federal government problem.

Mr. Riddell: Let's not hear any more of that.

Mr. Havrot: It's not the province's problem.

Hon. W. Newman: The shoe is on the other foot this time.

Mr. Havrot: It's not the province that rules on depreciation of capital assets.

Mr. G. I. Miller: But it's the thrust on the provincial basis.

Mr. Havrot: We'll give you an answer to that one later on, Jack. Give us a chance.

Hon. W. Newman: It is assessed at this point. It's under the accelerated depreciation. There is no doubt about that.

Mr. George: The third component of this portion of the program concerns the provision of alternative livestock watering facilities.

You will recall the earlier slide with the cattle on the streambank, on the open streambank. This portion of the program is designed to provide assistance to farmers up to the level of \$1,500, for farmers who erect a fence to keep cattle away from streams. And the type of materials or items that would be eligible, under the alternative livestock watering facilities, would be the cost of fencing materials; any devices to bring the surface water to the livestock; the provision of hydro, if required, and those kinds of items would be eligible under this portion of the program.

I would just like to point out that on the overhead is the amount. Besides the right hand side is the maximum grant that is available for each of the types of projects that are available to farmers. But the total grant, if you will note in the top paragraph, that is available to any one farmer is a total for any combination of the three of \$3,000. This is the portion of the soil management and erosion program that is available to all eligible farmers in the province.

In addition to this aspect on soil management and erosion control, there is a further component of the program, which is concerned with the provision of educational opportunities and demonstrations, in the form of projects on farms. The types of projects are listed here. No, I'm sorry, that's on the next slide. They are for educational demonstration programs. They are to encourage farm organizations at the local level to put on demonstrations and educational programs. They are for on-farm demonstrations, covering the components of the program, erosion control devices, manure storages or alternative livestock watering facilities—basically, the provision of grants to organizations through the Ontario Soil and Crop Improvement Association. The OSCIA

has agreed to co-ordinate the development and the identification of suitable projects, and so on, in this component of the program.

So this is a special component available through OSCIA to farm organizations, to encourage and sponsor promotional and educational events at the local level.

Mr. Riddell: Let's say a farmer agrees to have his farm used for this demonstration program. Is he going to be responsible for paying part of that which will come out of his grant?

Hon. W. Newman: There will be a special fund set aside out of the total amount. It's not a large amount this year, but the OSCIA, the provincial association will be the one that decides which projects will be approved, and they will pay for it. They may want to, with the local OSCIA, spend more than what they decided, but they would work that out. But they have so much money to spend. They can spend it all on one project, or spend it on five of six projects in various parts of the province.

The reason we use the OSCIA, the provincial association, is that it's very actively involved right across the province. Of course, the final project would have to be approved by the ministry, but we felt that that would probably be the best vehicle, because they have been working along with our staff in an educational program on soil conservation and erosion control. But this would be a straight grant setup for the OSCIA to set up a project, for instance, on your farm or somebody's farm, who is prepared to allow that farm, so that they can use it as an educational tool not only, perhaps, for our young people in the schools, but also for all the farmers in a particular area, who will be able to come and see it.

[10:30]

Mr. George: We can move now to the other major component of the program. That is the B part, grants for production facilities. This portion of the program is related to the terminated capital grants program and this, I think, will become obvious as we proceed with the demonstration. This part of the program is in addition to the grants we have just described for soil management and erosion control, so in addition to the grants previously described, farmers with a minimum \$8,000 gross agricultural income who have not received a maximum of \$3,000 under the previous capital grants program are eligible for a grant of 40 per cent of the cost of new production facilities, such as livestock barns, silos, et cetera.

I will have a complete list of those eligible items on the subsequent slide. They are eligible for a grant of 40 per cent of the cost to the amount their grant was short of the \$3,000 maximum. Perhaps another way of saying this a little more clearly is any farmer, partnership or corporation who has received \$3,000 under the terminated capital grants program is not eligible for grants on production facilities under this section of program.

Mr. Riddell: Really then, a new farmer who has never made use of the old capital grants program and wants to go all the way on not only production facilities but erosion control, is entitled to a maximum grant of \$6,000.

Mr. George: That's correct. We have some examples and I think that will become clearer as we go along.

Mr. McGuigan: Is a farmer who has bought from his father, who may have received the \$3,000, considered a new entry?

Mr. George: That's correct.

Mr. Riddell: Is that true even though the father has made use of the \$3,000 in the old program?

Mr. George: That's correct. The next slide is an attempt to give you a comparison of the items that are eligible under the new program in comparison to the old program. The first 10 items that are listed are common to both the new program and the terminated capital grants program. When we speak of livestock buildings, we are referring to dairy, hog, beef and sheep facilities. The question was asked earlier about tile drainage. As you will note, item 10 is tile drainage. The balance of this overhead indicates items that were available or were eligible under the terminated program and are not eligible under the new program. The one exception is item 17, where fencing is available to prohibit entry of livestock to streams. In this special case, fencing is available or eligible. In all other cases, it's not.

Mr. Riddell: I'm sorry to see that fence enlargement goes.

Hon. W. Newman: We are sorry to see a lot of them run away. The thing is, to bring the program into line, we are anticipating the costs in a full year. Those were taken out.

Mr. George: I would like to give you a few of the administrative details which we judged to be of interest to you. The first point is a brochure is being prepared and the application forms are being prepared. They should be available in two or three weeks.

in our local county and district offices throughout the province. The application form will be in two parts. The (a) part is a notice of intent to construct. I will provide more details of that on the next overhead. The (b) part will be the regular application form which is, in many ways, similar to the application form used under the old capital grants program.

The next point you might be interested in is that for partnerships and corporations, the maximum grant is the same as for an individual farmer. The next item is a farmer may claim the maximum grant as an individual or as a member of a partnership or corporation, but not both. Grants will be paid only when the project has been completed, is in use for the intended purpose, has been inspected and proof of payment has been received. I made reference to the intent-to-construct forms. These are forms that are to be filed at one of our county or district offices before construction begins.

There is an exception to that, that is, in the period between April 1, 1979, and the time when the intent-to-construct forms are available in our offices, we will accept applications associated with eligible work that has commenced during that period. Once that period is past, then it's a requirement that an intent-to-construct form be filed with one of our offices before the work commences.

Mr. McGuigan: That date is April 1?

Mr. George: Yes. The form will show the expected date of completion, the estimated cost of the project, the amount of the grant, the type of project—just brief material—and that kind of thing. Ministry head office will maintain a running total of the anticipated grants from the intent forms and compare this to the balance of the budget that's allocated in a particular year but uncommitted for that particular fiscal year. When the budget for the year has been fully committed, county offices will be advised and staff in the county offices will inform future applicants that funds for that particular year are all committed.

Mr. Havrot: It is on a first-come, first-served basis for that particular year?

Mr. George: That's right. I mentioned we would have an example or two, and I think we have three. If we make the assumption that under the old capital grants program a farmer had received a maximum grant of \$3,000, then under the soil management and erosion control portion of the farm productivity incentive program he would be eligible for grants of up to \$3,000. Under the

production facilities component of the program, he would not be eligible for any grants. The total money that he would be eligible to apply for would be \$3,000 in that particular example.

At the other extreme, under the old capital grants program if the farmer had not received a grant at all, then under the new farm productivity incentive program he would be eligible for up to \$3,000 for soil management and erosion control projects and up to \$3,000 for production facilities, for a total eligibility of up to \$6,000. The third example is really the one between the two previously described extremes where the assumption is that under the old capital grants program a farmer received \$2,000. Under the new farm productivity incentive program, he would be eligible for up to \$3,000 for soil management and erosion control projects. For production facilities, it would be \$3,000 minus what he had previously received under the terminated capital grants program. He would be eligible for up to \$1,000 or a total of up to \$4,000.

As the program is a little complex, perhaps I could summarize it. These diagrams might provide you with some assistance. As I indicated, there are two components; one component goes down the left side of the slide and the other down the right. There is the soil management erosion control component. Regarding who can qualify, it is, basically, all farmers in the province who have an \$8,000 gross annual agricultural income and are Ontario residents. Then, you will recall some of the other eligibility criteria that we mentioned.

Three subcomponents: projects dealing with erosion control, projects dealing with manure storages, and projects associated with the provision of alternative livestock-watering facilities. The prerequisite to that portion of the program is rather important to note; that is, fencing must be involved to keep livestock from the streambanks. That is the trigger that would make a person eligible under that part of the program.

Mr. Riddell: If my memory serves me correctly, under erosion control they are eligible for a grant up to a maximum of \$1,500, under manure storage a maximum grant of \$3,000—what was it, again, for alternative livestock watering, was it \$3,000 or \$1,500?

Mr. George: It is \$1,500. It will be summarized on the next overhead display.

On the production facilities: to summarize this component of the program, again it is farmers who meet the earlier described eligibility requirements; that is, the \$8,000-gross

annual agricultural income and the Ontario residency, and who have received their maximum \$3,000 under the terminated capital grants program. There is a list that you can read for yourself of the items that are eligible under this particular component of the program.

The next display summarizes the grants that are available. I would stress again that these are grants that are available to an individual farmer, a partnership, or a corporation. The amount is 40 per cent of the capital cost up to the maximums listed below.

For soil management and erosion control, the maximum grant for erosion control devices, \$1,500; for manure storage, \$3,000; for alternative livestock watering facilities, \$1,500. The farmer, partnership, or corporation is eligible for one or a combination of those items up to the maximum of \$3,000.

For production facilities, the amount of grant is \$3,000 less any grants received under the 1967-79 capital grants program.

Perhaps a few notes that are crucial and may interest you: the corporations and partnerships are only eligible for the same maximum grant as an individual farmer. A farmer is not eligible if he has received a grant for work on particular projects from any other government agency.

Mr. McGuigan: With regard to the storage facility, there is a federal storage program.

Mr. Yakabuski: Couldn't you take advantage of this and this one also?

Mr. George: No.

Mr. Yakabuski: Somebody gave somebody some bad advice a few weeks ago.

Hon. W. Newman: If I may explain, they were eligible for both of them under the old program, up until March 31.

Mr. Yakabuski: Someone said that the federal \$1,500 grant for grain or feed storage was available. Later on this year this would be in place and you could take advantage of both.

Hon. W. Newman: It was a misunderstanding if anyone gave such a commitment. I would be glad to take a look at it, though, Paul.

Mr. George: Equipment or storages purchased as part of a farm unit are not eligible under the terms of the program. New and used equipment is not eligible under the program. The one exception to that would be in the case of alternative watering facilities for livestock. If a farmer purchased a pump to pump water from the stream into a holding facility of some kind, that would be eligible. That is the one exception to the statement

that new and used equipment is not eligible under the terms of the program.

[10:45]

Mr. Riddell: Say a farmer put up a 5,000-bushel grain bin and applied for and got the grant for it. Then, in two or three years' time he found he no longer wanted that, he wanted to go to a much larger size, and I came along and said: "Fine, I'll purchase yours. I'll dismantle it, take it home and put it back up again." Would I be eligible for a grant on that?

Mr. George: Not under the terms of the program. It's for new facilities. As indicated, used structures are not eligible. To be acceptable—and I think this is an important point—the structure must be in use for its intended purpose at the time of inspection. That concludes the presentation, gentlemen.

Mr. Yakabuski: That means an upgrading or improvement of a structure wouldn't be eligible?

Mr. George: That's right.

Mr. Watson: Can you define what is equipment and what is a structure? For example, a lot of the grain-drying bins have equipment that is an integral part of them.

Hon. W. Newman: I'm sorry, I missed that.

Mr. Watson: I am asking for some clarification of what is a structure and what is equipment. Equipment isn't eligible, but structures are. In a lot of the corn-drying units, the so-called equipment in them is an integral part of the structure. Where does the structure leave off and the equipment start?

Hon. W. Newman: My deputy tells me if it is built in it is part of the structure.

Mr. Watson: Is a corn dryer a structure, or is it equipment?

Hon. W. Newman: A dryer by itself would be equipment.

Mr. Watson: If it is built into the floor of a structure is it equipment or part of the structure?

Hon. W. Newman: I would have to ask our lawyers. I can't tell you that for sure right now. You are asking if a corn dryer is built within a structure or is part of a structure, would it qualify for the grant?

Mr. Watson: I want to know where the cutoff line is going to be. I can see quite a few problems with that.

Hon. W. Newman: My understanding is that if it is a separate piece of equipment in the field it doesn't qualify. If it is incorporated into some sort of a structure it may qualify, depending on the kind of equipment

Mr. Lantz: It is really related to the degree of permanence. I think there would have to be a judgement on that when it is installed.

Hon. W. Newman: When he files for intent, he would have to check with the tag rep. If he has any doubt, he would have to check with someone down here.

Mr. Watson: But again we are going to be into the matter of permanently installed dryers and elevator legs. Are you going to argue that an elevator leg is not a structure?

Hon. W. Newman: Let's put it this way, Andy, you have brought up a good point and we are going to make sure that it's clarified before it goes out.

Mr. MacDonald: This is an interesting internal argument brought out into the open.

Mr. Chairman: On behalf of the committee, I sincerely want to thank you, Mr. George, for this film. I think it was very informative and educational to all members.

On vote 1903, rural development program:

Mr. McKessock: Mr. Minister, we mentioned the other night under this vote about the new DREE program that would be in effect in Ontario.

Hon. W. Newman: Which one now?

Mr. McKessock: That's what I'm wondering about. You and I agreed that areas that were in the DREE program before in Ontario should come under the new program. As indicated by the Prime Minister in the past, he was in favour of Ontario choosing that parts of Ontario it wanted in the new DREE program.

Hon. W. Newman: But that isn't what they did. I think I made that clear.

Mr. McKessock: That is true, that isn't that is happening; therefore, it must have been the civil service that was making the decisions. I just wonder what your intentions are, now that we have a new government at the same group of civil servants. Are you going to make sure the decisions as to where the new DREE area in Ontario is going to be are going to be made by the new government and not by the same civil servants who made them a few weeks ago?

Hon. W. Newman: There are two ways I could answer that question: number one, we are not exactly sure, realizing that it will be the new government. We are not exactly sure that is going on behind closed doors today, and I am not being facetious when I say that. I understand there are discussions going on with parties today and tomorrow. But let

me put it this way: as soon as a Minister of Agriculture and a Minister of Regional Economic Expansion have been named, I can assure you that I will be on to it. As you know, the Treasurer (Mr. F. S. Miller) has been doing the negotiating for the province; generally he has been the lead man. I can assure you we will be right on top of it as quickly as possible, to try to do everything we can for the people of Ontario.

Mr. McKessock: Thank you, Mr. Minister.

Hon. W. Newman: Are you going to ask me, am I going to press the new government for the Grey area now? Is that what you are going to ask?

Mr. McKessock: No. I think that is what I have asked. You agreed with me the other night that the old area should still be in. After the TV debate last Sunday night and after your statement in the House when we discussed this before, I sent a copy of your speech to the Prime Minister, who wanted to get this clarified. Of course, I don't expect to get an answer now, but—

Hon. W. Newman: When I opened my mail this morning, I had four letters from Gene Whelan. I'm not sure exactly who I am going to be answering to.

Mr. McKessock: You say the Treasurer of Ontario is going to be looking after this, so I wanted to be assured you are going to be holding up our end. I'm referring to the agricultural parts of Ontario that were under this program before—not just agricultural, but for the manufacture of natural renewable resources, the incentives there. Of course I will continue to press on in that area, as well; but I hope this can be straightened out now, as I know you were quite disturbed as to what was happening before.

Hon. W. Newman: Yes; and everything I said the other night holds true, even with the new government. I feel strongly about these matters and will negotiate with the new government on behalf of the province for exactly what I said the other night.

Mr. McKessock: Thank you, Mr. Minister.

Mr. Watson: On vote 1903, it is interesting that we should have a new government in Ottawa, because one of the things down in Kent county is the failure of the federal government to honour their commitments to the ARDA dikes or to finishing the diking project. One of the things talked about in the past campaign was that the Tories might see fit to complete those projects, which means Ontario's participation. Again, can we have some kind of an indication that Ontario would be

committed to complete that project if we can twist the arm of the federal government?

Hon. W. Newman: As you know, we already have moneys allocated in our budget under this vote—how much is it—\$400,000?

Mr. Watson: A sum of \$400,000 won't build the dikes.

Hon. W. Newman: No, but if Environment comes along with its share for this year, it will certainly help. It should be an ongoing program until it is completed. I think what you are saying is—

Mr. Watson: Ontario is still committed to it; that is what I would like to tell the people back home.

Hon. W. Newman: Yes. It is right there in the budget.

Mr. Watson: Okay. Thank you.

Mr. G. I. Miller: Mr. Minister, I have one question. Is that \$400,000 set aside just for one specific program, or is that going to be utilized in other areas?

Hon. W. Newman: That is the Great Lakes flooding area—the dikes for that. That is the old program we had with Environment Canada. That is what is left for the lower Thames.

Mr. G. I. Miller: I would like to point out to you that there are other areas with erosion problems, particularly from Port Burwell to Port Rowan. I would hope that maybe they could be given some consideration. I believe there is a court case on at the present time between the people with farms that are involved and both levels of government. I would hope that we are not just looking at one particular area but also at other areas in the province.

Hon. W. Newman: I don't know the specifics of the court case that is going on. I know there are other areas in the province. The lower Thames is the major project that was taken on. I have forgotten how many years ago that was.

Mr. Watson: It was 1974. It was started in 1973, but the plans are drawn up and in some cases the tenders are ready to be called to complete it. It is kind of silly to have half the dikes built.

Mr. G. I. Miller: I am not arguing that point. I just wanted to make sure that there are also other areas that have concerns where there is loss of total farms from lake erosion. As a matter of fact, I would like to point out that a history written by Harry Barrett of Long Point indicates that before it is stabilized it could come back as far as Tillsonburg, which would be over many years. I think some consideration has to be given to pro-

tecting that particular area of Ontario which is exceptionally good agricultural land.

Hon. W. Newman: You are basically talking about shoreline erosion on the Great Lakes. We were talking in this program about the lower Thames River basin study which was a joint effort we did with the feds, keeping in mind that most of the responsibility, if I am not badly mistaken, for shoreline erosion on the Great Lakes is completely a federal responsibility. I want to make sure I don't mislead anybody, but that is my understanding of it.

Mr. G. I. Miller: Does it not indicate in the estimates protection of agricultural land from flooding by the Great Lakes? Can that not be considered?

Hon. W. Newman: That was part of the whole Thames River basin study. That was an agreement we worked out. If you have been down through the diking system, as I have, most of it is really done well back from the lake in the streams running into Lake Ontario.

Mr. Watson: A lot of it was high water that was really not shoreline. The federal people said it is not shoreline because when the water comes up, it backs the water up in all the drainage ditches. There is a kind of subtle difference between shoreline and the damage from high water in the Great Lakes.

Mr. G. I. Miller: My second question is about the DREE program that has been mentioned by my colleague from Grey (Mr. McKessock). Are you going to use the same guidelines and approach that were provided for the eastern and northern parts of Ontario or are you giving consideration to different guidelines which may be necessary if there is a need? In the incentive program that was presented this morning, we have stressed the Ontario productivity program. Is any consideration going to be given to the processing aspect of it and to accessory industries, such as repair shops for farm machinery and that type of thing? Is that going to be done? If they can prove a need, are you going to go in that direction to encourage the small business aspect, or is that of concern to you?

Hon. W. Newman: Very much so. I think we discussed it at some length the other night in the estimates on this matter. There is the \$200 million that the Treasurer has set up for job creation. It will be administered by the Minister of Industry and Tourism (Mr. Grossman). The Treasurer will be the chairman, and whatever ministry

affected in any particular area will get involved.

[11:00]

We have had three companies in in the last three weeks to talk to us about processing and other forms of agricultural productivity. We have had some very meaningful discussions. They have come to us first. We go over their program. They put together a program or a position and then, of course, we take that along with them to the Ministry of Industry and Tourism. If it's recommended, Mr. Miller has the final seal of approval.

We are very much concerned about utilizing that fund for the processing industry in Ontario. You say three in the last few weeks; but I can tell you of two others I have been approached on, prior to the budget. Certainly, they are both making application at this point in time for some assistance in the program. We are trying to utilize as much of the money as is humanly possible. I can't guarantee because any program has to have a basic financially sound basis for going forward. I mentioned peanuts the other day, only as an example. We now have four companies. We are very interested in building peanut processing facilities. I think we have talked to three of them and I think we have one more to go. Have we not? Yes.

Mr. G. I. Miller: Okay, I just hope you could give consideration to the DREE program from which there is federal money coming.

Hon. W. Newman: I'll just tell you this, I'd be very happy if the new government could—I won't say it that way—declare a lot more of Ontario and put it under DREE.

Mr. G. I. Miller: Okay. Thank you.

Mr. Riddell: Don't be making assumptions at will come back to haunt you, Bill.

Hon. W. Newman: It may come back to haunt me, but I said I personally would like to see a lot more of Ontario included under the DREE program.

Mr. Riddell: I hope you're right.

Mr. MacDonald: I know all contributions are gratefully received, but I am a little curious as to how meaningful these grants are in terms of incentives. For example, they could receive a maximum of \$1,500 for soil erosion, up to 40 per cent, for a total outlay of \$3,750. Is that really meaningful?

Hon. W. Newman: I think so. We are talking on-farm. Keeping in mind that these are on-farm programs, strictly on the farm, if you have got a gully going down through

your farm, this would help with the proper grading equipment and grassing. I think my biggest concern is a lot of people will take advantage of it.

Mr. MacDonald: That brings me to a related question. I judged from our earlier discussions you have in the range of \$7 million available for the first year because of overruns on the earlier capital grant.

Hon. W. Newman: At this time, yes.

Mr. MacDonald: Yes. When you listed the eligible topics in the old capital grants and the ones in the new capital grants, you'd cut off about the bottom half. Jack Riddell expressed his immediate regret that field enlargement was excluded. How do you pick and choose? Did you pick the ones that were the most expensive and drop them for the first year?

Hon. W. Newman: No. For instance, field enlargement has been a very useful program in many areas but also by field enlargement you could create erosion problems. It could be self-defeating. The dead elm program is pretty well wound down. One of the ones we've had a lot of trouble with, to be quite honest with you, is driving sheds which are very controversial in trying to decide, really, whether they are a driving shed or being used for other purposes? It's been the most controversial one so we decided we would take that out and there would be no doubt about it. We've got a list of the ones we took out. I had them here somewhere with me, and I'll explain the ones we took out. We didn't want to take them all out.

Mr. McKessock: How can you explain taking out standby generators at this time, when I think they are getting more important every day?

Hon. W. Newman: Well, I suppose it's a matter of trying to pick out the ones, as far as we were concerned, that we felt should come out and leaving in the most important ones. There are always judgement calls; they are tough ones to make. I think most farmers who need standby generators probably have utilized them and put them into place by now.

Mr. MacDonald: I suppose experience will be your guide.

Hon. W. Newman: Exactly. Let's be very practical about it; we don't know what it's going to cost, and we don't know just exactly how it's going to work out.

Mr. MacDonald: Would I assume next year when you can get to the full, what is it, \$12,500,000 you're thinking of or \$12 million—

Hon. W. Newman: Somewhere in that neighbourhood.

Mr. MacDonald:—some of those may be back in?

Hon. W. Newman: I would hope we could stay with the guidelines we've got, unless there is some very compelling reason why we should take them out. There are going to be some who are going to complain because we left something out. It's a new program which we are trying to develop with the money that's been allocated to us. All we can get our economists to project is what they think it's going to cost in a year's period, so we just took the cuts I suppose. We went over the lists very carefully, very painfully too.

Mr. MacDonald: Is there any particular reason why you picked five rather than 10 years? The earlier program was a 10-year program. It's not as uncertain as the survival of this government?

Hon. W. Newman: No, not at all. It's amazing how farming has changed in the last 10 years, with tremendous technology changes and other changes. Certainly, at the end of the next five-year program I don't know what will happen, but I am anticipating that certain things at that point in time would be changed again.

Mr. McGuigan: Mr. Chairman, one item that's of concern in southwestern Ontario, and particularly in my riding of Kent-Elgin, would be the fact that you have dropped a program for shelter for farm labour.

Hon. W. Newman: Yes, seasonal help. I think there's a bit of money in there for cleanup. I have just forgotten. There is some money there. We had put in \$200,000 to tidy up some of them that had already been started or not completed.

Mr. McGuigan: I would point out that it's at a time when I believe the future of intensive crops or specialty crops—tobacco and vegetables and fruit, greenhouses and so on—looks particularly promising due to the better tariff setup that we are going to have this fall—I am sure the new government will honour that tariff agreement—and the higher cost of fuel making imported items much more expensive. If there's one area in Ontario that seems to me ripe for expansion and providing a great many more jobs that's the area, so I rather question why you would not have retained that one particular item.

Hon. W. Newman: In fairness to all the negotiations that we are in, we will continue to go on under the various agreements. We have had some problems. It is always tough. I have had some quite serious dis-

agreements with the Minister of Employment and Immigration—

Mr. McGuigan: Bud Cullen? He's not around any more.

Hon. W. Newman:—regarding bringing in seasonal workers, and my attitude has been, "Look, I am a Canadian first. Let's use Canadian help when we get it, but let's not cut off the offshore workers. Supply us with the people to do the job." I have always said we should still have our seasonal workers coming in. As I said before, students from our high schools do a tremendous job, but at this point in time our offshore workers are still coming in, and I anticipate they will still come in because of the experience that they have had, and we certainly will be negotiating under the federal-provincial manpower agreement, and we will still be discussing with them seasonal housing.

Mr. McGuigan: I notice in the campaign the Conservatives sounded as if they were quite in favour of the offshore labour and made some promises in that regard, and I am sure farmers will be holding them to that.

Hon. W. Newman: If we want to get political, I can come up with about 53 promises that have not been kept in the last 11 years, but we won't go into that. We won't go into that today because I think if we—

Mr. Yakabuski: We're not pulling out the garden rake today.

Hon. W. Newman: No.

Mr. Yakabuski: The fork was used pretty handily for the last two months, but we put that away last night.

Mr. MacDonald: You just replaced it.

Mr. McGuigan: That's the furthest thing from my mind, Mr. Chairman. I was thinking of the future of the industry.

Hon. W. Newman: I don't know who the new Minister of Agriculture will be, but I think there's a sincere desire on behalf of the new government to work with the provinces to try to work things out that are best for the agricultural industry, I really do.

Mr. McGuigan: I think you are saying here you are going to look at the seasonal help program.

Hon. W. Newman: Yes, yes, yes. We are having some basic discussions with them now.

Mr. McGuigan: Fine.

Hon. W. Newman: The final decision will have to be made at the ministerial level, but they are going on at staff level.

Mr. Yakabuski: Supplementary, Mr. Minister: I realize you are dealing with the agri-

cultural community, and the need for seasonal employees, mostly in the area of harvesting. I am wondering whether your people and the people in Ottawa, who have been there, and who will be there while there are ongoing discussions and talks as to how best to handle the situation, whereby the farmers of this province, this country, can benefit most, have taken a look at some of the arrangements that are made in Europe, such as Switzerland and Germany. In those countries, we are not talking so much with the farm worker, the agricultural worker, we are usually talking perhaps with the industrial worker or labourer. They have quite a formula there where, when the need is great, they open the valve, and as things may slacken down in their own country, they turn off the valve or shut it partially, so they control the flow and it seems to be a practice that is accepted, and can vary from year to year.

Perhaps in the area of the farm worker, the need for bringing in farm workers, although it is another area, I am sure something like that could be worked out, too. It might be well to take a look at that system that's working so well in Switzerland and in Germany, especially where Italian people come in. They work six or eight months. They make enough money in those countries to go back and build a home in their own country, and it's a good system and accepted not only by the immigrant workers but also by the country to which they go.

Hon. W. Newman: What we normally do each year through our manpower section—we work with the federal people and with our own Minister of Labour (Mr. Elgie)—is we figure out roughly how many will be coming in. A lot of workers come in from Quebec, some from eastern Ontario, some from eastern Canada. We figure out roughly how many students will be available and I don't know if you would call it a specific quota, but I believe we are on a specific quota on the number that come in. I don't know what the figure is—

Mr. Crown: I don't know the figure, but it has been restricted in the last two years.

Hon. W. Newman: But it has been cut back in the last two years specifically to what they feel the needs have been, and I can't give you the exact figure. Maybe we could find it out, if we can get those figures for you. But what you are saying is, that you can turn it on or turn it off. In the last two years with the high unemployment we have had here, we have tried to encourage more and more people, and so have the feds.

Mr. Yakabuski: Have you had talks with Employment and Immigration with regard to unemployment insurance, and those sorts of things? Because sometimes an outing on the farm might be an ideal adjustment for some of the workers that are finding it difficult?

Hon. W. Newman: We haven't had specific, but certainly in certain instances, I know where they go to the UIC offices for farm help. They don't always find that many people are signed up for farm help—UIC offices—in some cases they do. At one time, they used to go and recruit, I believe, from the UK market for people to come over and work on farms, but we haven't had it direct. We have had direct contact with the Minister of Correctional Services (Mr. Walker) here in Ontario, who is hoping—well, will be setting up a program this summer, later on this summer.

Perhaps I shouldn't be talking about it, because I don't think he has announced it yet, in fairness to him. But we have had some discussions with him on how he could help us with some of the crop picking areas, and just how it would be worked out. We've had staff level discussions on this and we think it's going to be a very helpful thing to the agricultural community, but far be it from me to announce another minister's program at this point in time.

[11:15]

Mr. Yakabuski: It's a very important part of it because not only is everyone interested in seeing the farmer make a decent living on the farm to keep him there but, at the same time, we have to take a look at the price of food. We've got to try to have a piece of the better part of both worlds.

Hon. W. Newman: Certainly, as far as the workforce is concerned, two years ago it would be fair to say we were talking about cutting the offshore people off completely, which would have created chaos in the agricultural community. It would not only have created chaos there, but because of the shortages that would be created because the crops were not harvested and lay wasting in the field, there would have been a tremendous increase in cost to the consumer. I think that's what you're talking about. We try to get enough offshore help in, and help from other parts of Canada especially during those seasons. The offshore workers come in and work long hours. As you say, many of them go back to their native country and build a home.

Mr. MacDonald: Could I ask a supplementary here, Mr. Chairman? I just want to

comment, first. This European procedure is an interesting one. It should be studied, obviously, but it has the result of giving a country like Germany or Switzerland control over its unemployment. Therefore, it exports its unemployed. At the very time when there may be a general economic slowdown, Italy for example may be worse off than Germany, and it gets hundreds of thousands of workers dumped back into Italy. If you're in a position to export your unemployed, your unemployed record looks good, but it's not all asset if you take a look at it from the totals.

However, the point I wanted to raise was, I've heard it said periodically that while it's desirable we give the first opportunity to Canadians for these short-term jobs, they have proved to be less reliable than the offshore labour. Is that your general impression?

Hon. W. Newman: May I point it out to you this way: I said students, our young people, are very reliable workers on the farm. The farmers can't speak highly enough about our young people working on the farm. That's high school and university students. Of course, it is those who have been brought up on the farms. There are others who have certain trades and skills and feel they should be used in those particular fields. They are, perhaps, somewhat reluctant to work on a farm and don't show as keen an interest, shall we say, as many others who have worked on a farm.

Mr. McKessock: Could I just add to that, Mr. Minister? Coming from the Georgian Bay area where a lot of this labour is coming in, it has certainly shown up as a fact in the last few years that Canadian labour was not as responsible as the offshore labour. They have been bused in. They are people from welfare, or people who are on unemployment insurance, and whether they were the type of people who didn't have the aggression to go out and get another job or not, they certainly haven't proved to be a benefit, or at least enough benefit to the apple growers to do without this offshore help. They feel without the offshore help their crop would go down the drain.

What labour is available to them from the Canadian source works for them until their first pay cheque or maybe for two or three days and they're gone, whereas the offshore labour comes in and stays for the entire season. This has changed over the years from when I picked apples myself. Lots of farmers picked apples in the fall as well as doing their own work. It was a little extra money. Lots of

the housewives, too, always looked forward to that work in the fall, but now a lot of those housewives have full-time jobs. A lot of those farmers have full-time jobs as well, and this has taken away that type of good employment they had a few years ago. It's left them only with welfare and unemployment insurance, which isn't satisfactory.

Hon. W. Newman: One thing I might add, if I may: our Canadian workers have much more flexibility than the offshore workers. For instance, if I'm going to hire offshore workers—

Mr. MacDonald: They're really a form of indentured labour. If they come here for six months they're here for six months. If they cut out where do they go?

Hon. W. Newman: Yes, and Canadians have much more flexibility.

Mr. MacDonald: Yes.

Hon. W. Newman: If they're working on a farm for a few days and find something in their particular trade, they have much more flexibility. These people who come in usually for six months or nine months—it is limited, the number who can come in—don't have that flexibility. They are being specifically brought in by a farmer who, I think, has to pay the air fare. They have to take a contract to work for him. Usually it works out well. They come back year after year to the same farm.

Mr. MacDonald: To what extent are they coming in from Quebec and the Maritimes? Are they still coming in?

Hon. W. Newman: They're still coming in, yes. It's interesting, I was over there last spring and there were two or three people hitchhiking on the highway. Somebody said it's quite obvious they were unable to get work and they were hitchhiking their way back to Quebec. At least that's what I was told. I didn't stop to talk to them.

In the last two years, the growers are restricted in the number they can have. We will get that number for the committee. We do want to make sure the crops are harvested. What's happening now is mechanization, which I guess is not a real problem. A tomato harvester with an electric eye on it replaces about 75 to 80 pickers. It goes in there and picks tomatoes and kicks out the green ones. It's amazing what it can do.

Mr. McGuigan: Mr. Chairman, can I speak on the labour matter? I've been quite personally involved in this matter, Mr. Minister, as you know, and our area is one of the high users of this labour. There are a few things I would like to get on the record.

One was mentioned by Mr. MacDonald. I think it is a most immoral thing to use these

so-called "guest workers" for a period of time and then, when things get a little rough, to ship them back to their own country where they might have a horrible problem. They're not accepted, to some extent, by their own people because they look upon them as coming home to steal their jobs. I think there's a real matter of morality in that. But in practical terms, speaking for farmers, we can't plan our production on an on-again off-again turn of the labour tap.

I really believe we're into a new era in agriculture. We've survived the adjustment from the horse to the tractor whereby great quantities of land were released for food production and there were excesses of food. We no longer have excesses of food in world terms. I think we really have shortages of food in world terms.

The producer today has two choices before him. One is to go into grain production, which is totally mechanized, and the other the more risky type where he can make \$8 a bushel for soya beans and about \$3 a bushel for corn. There is less incentive for him to get involved in the labour-type situation where he has all the headaches of uncertainty of supply. These crops are also by their very nature, subject to a good many more risks than are the grain crops. So I think if you're going to say to labour-intensive farmers, "Your labour supply is going to depend upon the whims of somebody in Ottawa or Toronto, or whatever the political situation is," they're going to opt out of that type of agriculture. The agriculture industry has become sophisticated to the point where we can't use casual people who come along expecting to get a job for three weeks or a month while they may be waiting for a recall to a job in the factory. When they come to you, of course, they say they're going to stay all season. But you shortly learn their names are in to about four different factories. They get a recall, and quite naturally they go. No one can blame them for that. But you simply can't run a farm program today on that kind of basis.

I will give you an example. It may be an extreme example. In the business I am in, each production is one area, one of the first operations in the year is to prune the trees. Following the blossom and pollination period, you thin off the excess fruits, and then you pick the fruits.

Hon. W. Newman: You spray in between, hope.

Mr. McGuigan: These are the labour operations I am talking about. Unless you have the same man there to face the music at picking time, the same man who did the

pruning and thinning, you just don't get a good job done. You have three different crews perform these operations and you come up with a very erratic system.

It takes about three years, really, and three different seasons, to train people to go through that process so they realize when they are pruning and thinning that that is the kind of peach they are going to be facing come harvest time. It is either going to be a poor colour, too small, too large, or whatever. So unless we know that we have a dependable labour supply, we are not going to continue in that type of operation.

I have no figures to back it up, but I believe that overall Canada gains by having this core of people around which you can build casuals. In my operation, I bring in four people from Jamaica, and around those we build about a dozen casuals throughout the summer. My argument is that without those four steady people, we are going to lose the other dozen jobs.

Another point I would like to make is that we are not bad-mouthing Canadian labour. A great many people, particularly in Kent county, but also tobacco growers in Elgin, bring in families from Quebec. These are excellent people. They bring them in year after year. They visit them in the off-season; they write letters back and forth, and they follow the progress of the family, and so on. These family people who have come in are great. In fact, for sheer productivity, they will beat your imported people. If you get people who have worked in the bush or in a mine, or have a physical-work background, they are not upset when they get a sore back or when the sun shines on them.

These people who come in in family groups are great people, and we don't bad-mouth them a bit. It is the casuals, those who were brought up in what I call the air-conditioned society and who have lived in the city and been brought up in a high school and a work situation where they never faced tough conditions, who after a couple of days out in Kent county fields where the temperature can be 90 degrees—I'm still working on the old Fahrenheit system—melt.

[11:30]

Canadians today, unless they come from a work background, aren't physically able to take that kind of work. Students are great; I have been on the student program. They think it's fun, but after about two weeks they've had enough of picking tomatoes or harvesting tobacco. They are not physically up to it, whereas if you bring people in from the Caribbean who are agricultural in nature

—they don't bring them in from the cities there either, they bring them in from the hills; anyone who has been down there and has seen those small farms up in the hills knows that those people live a physical life. Of course, the heat doesn't bother them one bit; the hotter it is, the harder they seem to work.

Canadian workers are good workers if they come from the right background, but we just cannot use the transient workers any more. Canadian workers in terms of cost are often the best buy; you don't have to pay their air fare or housing costs and all the fringe benefits tied to a work period. But there are just not enough of those good Canadian workers to fill the short season that we have here in Ontario, which is a fact that I think is lost on the public; they don't realize how short a season we have, even in southwestern Ontario. It is three months of working like mad; then you tail off.

Hon. W. Newman: I appreciate your points. I won't take any personal offence, but I realize you have to be in good shape to do the work. Needless to say, I can hardly move today. I realize one can get out of shape—but one can always get back into shape too.

Mr. McKessock: What were you doing yesterday?

Hon. W. Newman: Yesterday I was just driving. But on Monday I was doing a little physical work.

Mr. McGuigan: It takes about a month to get into shape; very few people will last that month.

Hon. W. Newman: I was interested in the comment you made about shipping these people home.

Mr. McGuigan: I was talking about the European guest program.

Hon. W. Newman: I see. I thought you were talking about the southern program, where they are not accepted at home.

I realize you are worried about a continuous source of labour in your area. It is not easy to say we or the federal government are going to guarantee that you are going to have workers every year for the next 10 years. I certainly feel that as long as it is needed and fought for—and we discussed this around this table last year; at that time we had quite an argument with Mr. Cullen regarding the number that should be allowed in, and finally he consented.

There was also quite an article in one of the papers, asking, "Why we are importing these people to work on farms when we have so many unemployed in the country." It is sometimes hard to explain that. As you

say, when they come in they are well conditioned to work on farms and to cope with the heat. I was in your part of the country at peach-harvesting time, and I saw them working in the dark and singing. They are very happy to be here; they are well accustomed to our climatic conditions and to working here.

In your area, are we not getting more and more into specialty crops like seed corn, soya beans and those sorts of thing? Don't you see more of a trend towards that in your area? Is that the reason for your concern about offshore workers?

Mr. McGuigan: No. Going back a number of years, the farmer turned to labour-intensive crops because he couldn't make it on grain. He had family labour that he could use to grow these crops. The grain market was a pretty uncertain thing. But now that he has expanded the size of his farm—and even farm families aren't big any more—there is not the same concern about providing jobs for the family members. If the man can ride a tractor and his wife can help him and so on, on 300 or 400 or 500 acres—that is what they are doing now—they can make a very comfortable living, without hiring any help whatsoever. It is an alternative now, for these people to look at that type of agriculture versus the intensive type of agriculture. That wasn't an alternative not even prior to 1973.

Hon. W. Newman: One of the things now growing, and you are probably aware of it in your specific area, is that more and more farmers who grow horticultural crops, are going to pick their own operations. It is becoming a fairly big business.

Mr. McGuigan: They are going to, say in tomatoes, a once-over machine harvest, which is a low labour thing, and they are going to "pick your own", which is a low labour thing, and they are abandoning, or at least there is a danger of them abandoning, the ones that still require hand labour.

Hon. W. Newman: Except that this year the acreage for apples is up across the province. The acreage being planted is up, not just because of me. I can't give you the figures but the acreage across the province is up this year. Mind you, they are moving more to the dwarf sort of tree, which people can handle from the ground without ladders.

Mr. McGuigan: Sadly enough, Ontario doesn't produce enough apples to provide the Ontario market. We are actually in a minus position in Ontario on apple production.

Hon. W. Newman: I can see that turning around, like soya beans, except for what we talked about the other day, which I will take

up with the new government when we discuss the rapeseed oil situation.

Mr. McGuigan: You brought up another point, Mr. Minister, if you will allow me, to say why we require these people. It is an unstated part, I believe, of US public policy to allow in Mexican alien workers. They estimate from six million to 10 million of them are in the US. Nobody really knows, but I follow the literature on this pretty carefully. The estimates vary from six million to 10 million Mexicans.

With Mexico virtually sitting on a pool of oil close by the United States, and with the United States becoming increasingly dependent upon that oil and trying to buy it, one of the conditions that are going to be imposed by the Mexicans—and I think rather wisely on their part—is: Leave these people alone who are in the United States. Don't ship them back to Mexico, for humanitarian reasons. What would Mexico do if 10 million people were suddenly shipped back there?

The other condition is, Mexico is going to say "you are going to accept our fruits and vegetables," for which they have the labour and the climate to grow. So if we are going to have a fruit and vegetable industry survive in Ontario, it is going to be in competition with those Mexican workers, some of whom are paid less than the US minimum wage, because they don't police it very well. The minimum wage is lower than ours, and with the production advantages the US has in terms of weather and so on, we have to continue some sort of offshore program or give up the hand labour crops.

Hon. W. Newman: I realize the program has to continue. Nobody has been more aware of it than I have since I have been here, and even before that. It is going to have to continue, unless something changes. As you know, mechanization is moving in fast in all areas. They have peach harvesters. Basically, they have apple harvesters for the old trees, but they are not very effective from what I am told. You would know more about that than I would. But certainly the peach harvesting for the canning industry, the shakers and things, are eventually going to take over in the peach orchards in Ontario. Of course we have tomato harvesters and all kinds of harvesters and they are all just great unless we get a wet fall.

Mr. McGuigan: I may be taking up too much time, but there are some limitations, say, with tomatoes. They tell me there are only about 28 harvesting days when a tomato harvester can be used, because they can't pick the very first tomatoes with a once-over harvest. Otherwise they only get 10 per cent

of the crop and 90 per cent goes out as greens. They have to wait until a good percentage is ripe.

This would mean if one was going to go on a 28-day harvest one has to increase the processing facilities by quite a percentage in order to handle those tomatoes in the shorter period of time. With a hand harvest we have about 40 days to harvest tomatoes, so we really need an integration of hand harvest and machine harvest.

People who look at this say: "Oh, forget about hand-harvest tomatoes." We need them both. Then, of course, we come to fresh peaches. There is no damn way one can pick a fresh peach mechanically and end up with a good product. It is kind of ironic that in such an advanced country as ours in some sense we are accepting lower quality in some of our foods by going to the mechanical harvest.

Hon. W. Newman: I am told that mechanical harvest does not hurt the grade on clingstone. I may be wrong in that.

Mr. McGuigan: Not on the clingstone peach. I have some question of the quality of a clingstone peach compared to a good freestone.

Hon. W. Newman: It is a matter of when it is picked too, whether it ripens in the basket or—

Mr. McGuigan: It is a little bit ironic in our society, when we have such a high standard of living in some respects, by going to mechanical harvesting we are stepping back sometimes in terms of quality. Sometimes we go ahead. With grapes the mechanically harvested crop is better.

Hon. W. Newman: I am told the quality of clingstone is equally good. It is the freestone I think that you are talking about that is much more difficult to handle. They really are for the fresh peach market, the freestone.

Mr. McGuigan: My point is that there are two sides to the story.

Hon. W. Newman: There always are.

Mr. G. I. Miller: Mr. Chairman, again, I think Mr. McGuigan has pointed out the feeling of the offshore labour and the dependence on it by the agriculture industry. I know it is a concern in our area also, but it is also a concern of mine that we have a million unemployed. I think the minister mentioned that fact. We have kids coming out of school who are having difficulty finding jobs.

I wondered what strategy the minister may be using to encourage developing our young people to have more initiative and take on

this responsibility of harvesting our crops, because I think it is a satisfying life if in a growing-up period they understand where the fruit comes from and how it is obtained and the quality. I think it is advantageous to encourage our local people to take on these jobs. If the money is there it is as rewarding as anything. I wonder what direction and encouragement the minister is giving along that line.

Hon. W. Newman: I couldn't agree more. I think if you were lucky enough to see a program on TV which I saw a few minutes of last night just before 8 o'clock—I was waiting for the returns to come on—which showed a Mexican farm family—it was on either channel five or nine, CBC or CTV—it was very interesting. It was about how the young son wants to continue farming. What have we done about it? Several things.

There is the youth employment program: We have about 800 young people throughout the province working on farms, at our research stations, at our universities, at the museum. I can't give you a list of where they are all working, but Dr. Rennie and Mr. Doyle and all our senior people have young people working in the agriculture industry, so they are getting subjected to it.

[11:45]

One of our most successful programs, and it is not an easy program to deal with, is the junior agriculturalist program. There are those who have criticized the program, and there have been cases, the odd case, where it hasn't worked out too well. But I know a lot of young people who have gone to a farm home on the junior agriculturalist program and have gone back the next year on a voluntary basis. As you know, it is to help young people from the urban areas learn what agriculture is all about. I think it has been a highly successful program. The farmers have been basically happy with the program and the young people have been happy with it.

Sure, it is a lot of extra work for our ministry, because we have got to try to match that child or young person with the family so they are compatible and we have been 98 per cent successful in doing that. Through that method of acquainting our young people with farms and getting involved in farm work, they are showing a tremendous interest in it. This year we have between 250 and 300 young people in our junior agriculturalist program actually out on farms.

Mr. G. I. Miller: Can I interrupt there for a moment? That is only a drop in the bucket really. I know it is a step in the right direc-

tion, but again how many have taken advantage of that \$1.25 an hour to provide new jobs under that incentive program in the agriculture industry? A lot of these farms have their own accommodation and they could look after themselves if they so desired. But, again, when they come in they don't take on the responsibility that they should, they are more destructive, and they cause havoc with the accommodation.

Again, we should be coming up with some incentive, I think, to employ our own people and encourage them to compete with this offshore labour, if they can get a financial return, rather than be paying out unemployment insurance at the cost of everyone. I think that is basic to our whole economic system, the fact that we are paying out unemployment insurance and welfare assistance for something that we could perhaps be doing ourselves, and the reward is a better and healthier state of society.

Hon. W. Newman: You talked about the \$1.25 an hour. The first year it came in, it was not used extensively in the agricultural community, in the second year it was very extensively used—I can't give you exact figures—and also this year it has been very extensively used.

Mr. G. I. Miller: You don't know how many people were hired or utilized in the agricultural area under the incentive program?

Hon. W. Newman: No.

Mr. G. I. Miller: Don't you think that is important?

Hon. W. Newman: It is important. We know how many students are on the junior agriculturalist program, we know how many students we are hiring through the ministry this summer—

Mr. G. I. Miller: About 1,100.

Hon. W. Newman: —but as to the \$1.25 an hour, it is very difficult. For instance, I may decide to farm my farm, but I may decide that I need somebody to cut my grass and do odd little jobs around, so that I hire that youngster and I get paid \$1.25 an hour towards that youngster's income. I can't do that because I have got my own children and you are not allowed to do it with your own children. But, by the same token, it is pretty hard to say whether they are actually out working in the fields.

That figure I cannot give you, and I think we would have trouble getting it from the youth employment program, to be specific. All I would suggest to you is that you go to —Mr. Riddell was at one recently, and Mr. Havrot, I believe, who is here, was up at

one just recently—our agricultural schools, where we are graduating young people. Well over 50 per cent of them went back to farming. The rest are going into farm-related work and the rate of finding employment is very high in the agricultural field.

Another interesting thing is the average age of the farmer is coming down. We worried about it a few years ago, it was going up, and now it is coming down. I am not sure what the average age of the farmer is today, but it is somewhere around 45 to 47. That is a big difference, those two years, but it has come down from its high a number of years ago, and we have a younger group on average in the agriculture industry than we had three years ago.

Sure, there are all kinds of programs we might work out. There are field trips. A lot of schools, for instance, now have field trips for the young people to go from the city to farms. A lot of farmers open up their farms for the young people to come out and see how it's done. I can remember, before I got into this business, every year I used to have two or three busloads of youngsters come up from the high school to see how we operated a dairy farm, and I will tell you, if the cows have been just out fresh in grass such as at this time of year you have a lot of cleaning up to do and they don't know enough to stay away from behind. I will tell you it was no fun for my wife.

A lot of them are still doing this. A lot of them are coming down to the Parliament Buildings and seeing how government works. We certainly feel that young people are being taught in school and have a pretty good knowledge of agriculture, but the most practical way is to see it in operation.

Mr. Riddell: How extensively are these agri crews being used?

Hon. W. Newman: We have quite a few more this year than we had last year. Last year it was an experimental program really set up by—well, I shouldn't really pick out any particular member of the staff; the staff thought of the idea and it worked very well. Last year we had about five, and I think this year we have about 20 agri crews scattered all over the province. From last year's experiment we have had nothing but good comments back from the farmers who have used them, and I would hope, depending on funding and government policies, that this program could be expanded, because it has been a great help to a lot of people.

Mr. McKesock: How many counties does it cover, and how long do you have to speak ahead to get the crew?

Hon. W. Newman: I can't tell you how long ahead they have to speak to get a crew. It depends on how many people are using it. I guess it varies from county to county, but they certainly were busy last year and they certainly enjoyed it. I think I have a list of the counties, if you want them. There are 20 different locations here, and they are all over the province.

Mr. Riddell: The program remains the same. They can only go in for, what is it, a period of—

Hon. W. Newman: Five days.

Mr. Riddell: That is the extent that one farmer can get a crew?

Hon. W. Newman: Yes. Generally what they do is they go in and they basically—I don't like to use the word, but they clean up and do jobs that the farmer never really gets time to do.

Mr. G. I. Miller: Why couldn't this be expanded to get the crop in? I think, again, my colleague has pointed out the fact that the reason the farmers don't want to use the local help is because of the huge turnover. For example, last year we had one tobacco farmer who couldn't get offshore help and he had a turnover of 25 to 30 people to harvest his crop. That is the problem. What kind of strategy do we use to get our own people to accept the responsibility that they should? That is what I am talking about, a basic society that can create a problem to every ministry you have here.

I think we are in a position to do something about that by encouraging our own people—not only our young people, but workers generally—to accept the responsibility that they should do a good job and to get some satisfaction from it and to protect the environment, such as the housing units that are there, so that they would be acceptable to the farmers. Maybe by providing a labour force five days might be the answer, but let them take the crop off and let them do the managing and take some responsibility, and maybe that should be encouraged. I just wondered what your strategy is on that.

Hon. W. Newman: As far as taking the crops off, I said the Minister of Correctional Services will probably be making some announcements fairly soon—and I don't want to take away from him—which will have some bearing on that.

You talked about society as a whole; what are we doing as a province about society as a whole. I have gone over the various programs we have for young people to encourage them to get them working on farms. We have the youth employment program and we have

the agri crew program going. If you are talking about society as a whole we could discuss this all day—UIC benefits versus what you can make on a farm, or vice versa. You are talking on a national basis too, but certainly provincially—we have tried, as far as agriculture is concerned, to meet the needs of the farms in the summertime. You said one tobacco farmer last year couldn't get any help. He couldn't get any offshore help.

Mr. G. I. Miller: I'm saying he couldn't get reliable help. He couldn't get offshore help because the only way he could qualify was to have used the offshore help the year before. He hadn't done that, therefore, he couldn't get the offshore help, so he had a huge turnover.

Hon. W. Newman: Had he ever used offshore help before?

Mr. G. I. Miller: I would think maybe three years ago he did, but we looked into it, and because of the rules he couldn't qualify last year.

Hon. W. Newman: Is he leasing? Does he own these rights? There are a lot of factors that become involved in the tobacco industry, and you've picked on a specific case. But, I've met with the tobacco board, and certainly as a board per se they have been tight on help but have been able to manage, especially with those machines they have. I know it still requires a lot of hand-picking and you have to move along fairly quickly; I have watched those in operation. But, you may have had a specific case where somebody, you say didn't get his crop off because of that?

Mr. G. I. Miller: No, he got his crop off but he had a turnover of 25 to 30 workers in a harvesting season which is not very satisfactory. Who wants to be going looking for a man every morning when you want to go to the field? I think we've had enough experience to understand the position, that you don't want to have to contend with that. It's bad enough to keep things organized without looking for new help every day. There's no stability to it.

Hon. W. Newman: Yes, but the agri crew group can go in and help with haying if a farmer needs help for five days or for any specific thing that needs to be done on a farm.

Mr. G. I. Miller: I just wondered whether you had any long-range strategy in trying to encourage that? This is what I'm saying.

Hon. W. Newman: We have. This is what we're trying to say now. In a lot of our research work we're using young people, some of whom I talked to last summer, who were working actually at vineland. They were find-

ing the work absolutely fascinating to the point where some are seriously thinking of getting into agriculture. I think we've done a lot to try and get our young people interested. We can't expect them all to work on the farm because there are just not enough jobs on the farm. But certainly, on a long range basis, we've had this junior agricultural program placed. We'd hoped that it would continue. We think it is a good program and, also, the youth employment program.

Our agri crew was new last year. It certainly got a lot of credit right across the province. We have 20 of them going across the province this year. Who knows what will happen next year? If we're going to philosophize on the total society and what we should be doing there, then I think we're really talking on not only a provincial but on a national basis too. There's no simple answer, I don't think.

Mr. Gaunt: Mr. Chairman, I have one matter I wanted to raise and it relates back to the ARDA program. I wanted to get clarification from the minister as to a situation under circumstances which I'll describe in a moment. These are the facts as I understand them. This farmer was leasing a particular farm in Howick township under the ARDA program, and there was an option to buy. The farmer who was leasing did not pick up the farm within the time period that was indicated.

Hon. W. Newman: Was it within the five-year period?

Mr. Gaunt: Yes, that's right. It was a five-year lease—

Mr. Riddell: Although that could be extended five years.

Mr. Gaunt: It could be, but as I understand it—and I stand to be corrected because I got the facts on the matter over the weekend and some of them were coming in as late as last night at 11 o'clock when I had a chat with the lawyer who was handling the matter—he failed to pick up his purchase under the agreement to purchase.

Thereafter ARDA decided to lease it to another chap in the area who was interested and who wanted to lease the farm, and at that point the original lessee said his option to purchase had not run out and that he wanted to purchase the farm. In other words, I guess he changed his mind. So what has happened is that there's been a legal battle. Apparently there's now a cloud on the title. [12:00]

The law firm, which was acting for ARDA and does act in that area for ARDA, is also acting for the original lessee who now wants

to buy, and apparently through a legal manoeuvre they were able to put a cloud on the title. The second lessee, who wanted to lease the farm, has not been able to do so because ARDA wouldn't complete the deal with a cloud on the title. The upshot of all that was that ARDA sent out a letter to the law firm which was acting for them and also acting for the original lessee, saying: "Unless you—"

Mr. MacDonald: Go to the law society. It's a conflict of interest.

Mr. Gaunt: That's certainly one point, no question about it, but ARDA sent the letter out saying, "Look, unless you have this completed by March 31 it's gone by the board." That law firm was acting for the original lessee as well and didn't do anything about it, as I understand it, and the other firm which was acting for the second lessee, or the one who wanted to lease the farm, never heard about it until I guess lately when they found out on inquiry that the ARDA program had ended March 31, there were no funds available and hence the second farmer plumb out of luck.

I wonder if there's something that could be done about it? The point raised by Mr. MacDonald is the point that immediately struck me. I think it was a conflict of interest. I think had the letter gone to the second lessee's law firm, or lawyer, there might have been some action taken prior to March 1. But as it stands now, my question has to be, is the second proposed lessee out on his own? Is that the end of it, even though this thing has been going on for, I gather, something over a year?

Hon. W. Newman: I can't give you the details on it. The first fellow who leased it for five years, did he want to purchase it or did he want to lease it for another five years? I'm still not clear on that.

Mr. Gaunt: No, he wanted to purchase it, but he didn't—

Hon. W. Newman: He definitely wanted to purchase it?

Mr. Gaunt: —pick up his option within the time limit which was assigned to him.

Hon. W. Newman: So in the interval the other farmer came along and wanted to lease the farm—

Mr. Gaunt: That's right.

Hon. W. Newman: —and ARDA went ahead through another law firm and leased it to him, but then the other law firm is acting for ARDA and acting for the first person who leased it? Is that correct?

Mr. Gaunt: That's right.

Hon. W. Newman: He's acting for both parties? The lawyer is? He's acting for the farmer and he's acting for ARDA?

Mr. Gaunt: That's right. He's acting for the first farmer.

Hon. W. Newman: As well as ARDA?

Mr. Gaunt: As well as ARDA.

Hon. W. Newman: I don't know my law that well, but I think that most lawyers—I don't want to get sued, but I would certainly think it would be a conflict of interest.

Mr. MacDonald: Report him to the law society.

Mr. Gaunt: That doesn't solve the problem for my second guy.

Hon. W. Newman: Exactly, yes. I think what we should do if we could quietly, unless you want to put it on the record, get the client's name and we'll look into it.

Mr. Gaunt: No, I'm not interested in putting it on the record. I just want to get it resolved.

Hon. W. Newman: Okay. Will you give it to us afterwards then? Give us his name?

Mr. Gaunt: Sure. I'll give you all the details.

Hon. W. Newman: There are two or three of these cases. When the lawyers get fiddling with the system, in all due respect, they can foul everything up. Honestly.

Mr. Gaunt: I agree. I agree.

Hon. W. Newman: I get so mad. I should not say it—I know there are some sitting here in this room—but when the lawyers get into it I get so confused.

Mr. McKessock: Supplementary.

Hon. W. Newman: As long as it is not a legal question, it's all right. If you could give us the details, we'll try to sort it out. When it comes down to lawyers sorting things out, I've got them in my own family, so I can say it.

Mr. Gaunt: We understand one another perfectly.

Mr. Riddell: What is the government going to do with the leased land that it owns? If they are not prepared to lease it out, what are you people going to do with it?

Hon. W. Newman: Who is not prepared to lease it out?

Mr. Riddell: I understood somebody to say that now the ARDA program is over, when you phone them up—

Hon. W. Newman: No. We still lease.

Mr. Riddell: You are still leasing?

Hon. W. Newman: Sure.

Mr. Gaunt: So the March 31 deadline in the case I cited really doesn't apply.

Hon. W. Newman: We can sell after the deadline, sure.

Mr. Gaunt: Can you lease?

Hon. W. Newman: Yes, as far as I know. We can lease a lot but we cannot buy it. I was pretty sure of that. This is why it was getting a little confusing to me. If you could give us the details, we'd be glad to try to sort it out.

Mr. Gaunt: I'll do that. I'll get those details amassed and get them to you. As a matter of fact, the lawyer is supposed to call me this afternoon. His agent was checking in the registry office this morning to see if the cloud was still on the title. They went to court and got a judge's order to lift the cloud on the title, but I am not sure whether it's been registered. The one law firm says that it is clear and the other law firm says that it isn't. So I don't know. I'll get the details to you and hopefully we can sort it out.

Mr. Riddell: The problem for a politician is to know whether to go to the aid of the former lessee or the guy who wants to lease it.

Hon. W. Newman: Probably the former lessee lives in your riding and probably the other one lives in Mr. Gaunt's riding.

Mr. Gaunt: No.

Hon. W. Newman: I'm only kidding.

Mr. MacDonald: It's too bad Mr. Yaka-buski has left because he'd tell you the story of the man who postponed his political career past one by-election. He was an Arrnprior lawyer who was in a triple conflict of interest, acting on behalf of a subdivider, the people who were buying them and on behalf of town at the same time.

Mr. McKessock: We'll have to put them on a quota system.

Mr. MacDonald: He was rapped over the knuckles by the law society.

Hon. W. Newman: Yes.

Mr. MacDonald: Mr. Villeneuve can confirm that. He knows eastern Ontario.

Mr. Chairman: I've had some problems with that.

Mr. McKessock: I have just a few more questions on that article to clear it up. From the way I understand it, you are continuing to lease for the five-year period and then there's another extension of five years. At the end of the 10-year period, what happens?

He can buy it. But if he doesn't, what happens?

Hon. W. Newman: Then we try to find some other farmer in the area who wants to lease the farm.

Mr. McKessock: Lease or buy?

Hon. W. Newman: Lease with an option to buy. You don't have to wait the full five years before you purchase.

Mr. McKessock: Is it revalued at the end of 10 years?

Mr. Crown: It's revalued if they want to sell it at the end of five years and it's revalued after 10 years for a new lease.

Hon. W. Newman: It's revalued at the end of 10 years. In other words, at the end of five years the municipality can buy it for the regional purchase price and then can re-lease it for an additional five years and buy it for the regional purchase price.

Mr. Crown: At a revalued price.

Hon. W. Newman: At a revalued price. You are only allowed the five-year period, and that's what I thought.

Mr. McKessock: Then he should buy the original lease at the end of five years.

Hon. W. Newman: That's up to him.

Mr. McKessock: What happens to the money? When you sell one of these farms, who gets the money? The program is defunct now. Where does the money go?

Hon. W. Newman: I assume it goes to provincial Treasury, does it not?

Mr. Crown: Where Ottawa cost-shares, we still have to give them their share.

Mr. MacDonald: You'll change that.

Mr. Gaunt: Has Joe been in touch this morning?

Hon. W. Newman: Joe who?

Mr. Havrot: Clark, that's who!

Mr. McKessock: I have one question on the strip grazing that was shown on the program here. What significance has that to the erosion program? Is there some grant given for strip grazing? It showed pictures of it.

Hon. W. Newman: If, for instance, you have extra costs involved in strip planning, it's a lot of extra work. Basically, as the deputy said, it's levelling, getting the right contours, getting the proper grass on it so that you don't get the tremendous runoff—

Mr. McKessock: I shouldn't have said strip grazing, I should have said strip cropping.

Hon. W. Newman: Strip cropping, yes.

Mr. McKessock: I just wondered where this fits into the program. I know it's conservation

practices, but how does it fit into the grants program?

Hon. W. Newman: They get a grant up to, what is the amount, \$1,500 for that? I've forgotten the exact figure.

Mr. McGuigan: Possibly you require an engineer to lay it out for you.

Mr. McKessock: All you need is a cow at the end of the field to attach your plough to, isn't it?

Hon. W. Newman: Don't forget it has to be approved by our people, and we have some pretty capable people in the field who understand this.

Mr. McKessock: Is strip cropping a continuous thing? It sounds like a continuous thing.

Hon. W. Newman: Yes, and what you are saying to me is, if you do it for a couple of years and then quit, what happens?

Mr. McKessock: Are you given money to purchase seed, or what does the money go for?

Hon. W. Newman: Your overall costs of doing it. You might have to put a dozer in there, do some contouring; you might have to put a grade or something there. What I would be worried about is the fact that if you did it for a couple of years and stopped doing it once you got your grant, what do we do about it? That is a concern of mine.

Mr. McKessock: No, not really. I just wondered what you got the money for in the first place.

Hon. W. Newman: Levelling, grading—certainly if it's a normal cropping practice you may not qualify for that, but it's where you make an extra effort, as we showed you in that one slide there, where the field was badly eroded, and if you are prepared to go in there and clean that up and get it properly done, then you would get a grant towards it.

Mr. McKessock: Okay, thank you.

Mr. McGuigan: You might need a road or a bridge.

Hon. W. Newman: Yes, a lot of things may have to be done.

Vote 1903 agreed to.

On vote 1904, agricultural marketing program:

Mr. Chairman: Excuse me just a minute. Is it possible on Thursday evening to have people here associated with the Ontario Milk Marketing Board who have something to do with milk management for the federal administration of quotas and such as that?

Hon. W. Newman: We would have our own Farm Products Marketing Board people here.

Mr. Chairman: Have they got anything to do with the management of the allocation of quotas and stuff like that?

Hon. W. Newman: No, the quota comes from Ottawa. The total quota on MSQ that comes from Ottawa is distributed by the milk marketing board. That is a producer-elected board and I don't know that we would—unless they would come in on a voluntary basis—have the power or the authority to pull it in. I don't know, I'd be guided by the lawyers about the milk marketing board.

If you are saying you want somebody from the milk marketing board, the administrator, Lorne Heard, or somebody like that, in to answer some questions, I would think it would have to be done on a voluntary basis, if the committee agreed. I don't think we have the right to tell a producer-elected board that it has to be here.

Mr. Chairman: I can agree with that, but I'll tell you frankly what I want to find out is how they arrive at giving a penalty for over-production of milk to one province and not to another. Who actually makes this decision?

Hon. W. Newman: I suppose it depends on who you talk to. The supply management committee, which we have a representative on, who is John Krauter, meets on a fairly continuous basis; each province has a representative on it, and when they reach agreement on the supply of milk and where it should go they talk to Mr. Choquette and from there it's dealt with at that level, supposedly.

[12:15]

What could be done is if we as a committee have strong feelings about milk quotas, we could certainly let whoever is involved know about it. But certainly we do have a representative on the committee who can tell you what's happening there. John Krauter has been at the meetings in Ottawa and he has kept me well informed. Is that all you wanted?

Mr. Chairman: I am satisfied.

Hon. W. Newman: Okay.

Mr. Chairman: Mr. Riddell?

Mr. Riddell: Thank you, Mr. Chairman. As a matter of fact, you have led me into a discussion that I want to have with the minister on milk marketing. I feel obligated to bring a letter to the attention of the minister, along with some other statements that

accompanied this letter. The letter is from F. K. Matthie, executive assistant to the Minister of Agriculture. I realize now that he will no longer be the minister and Matthie will likely no longer be the executive assistant, but I am going to read the letter and then these articles; I think they might provoke some discussion, and I want the minister's comments.

The letter goes as follows:

"Statements made recently in the Legislature by Mr. Osie Villeneuve misrepresented actual conditions in the dairy industry. At Mr. Whelan's request, I am forwarding a copy of an article in the newspaper *Standard-Freeholder* of April 6, reporting on the view"—

Hon. W. Newman: Mr. Riddell, can I just interrupt you for a moment? In fairness, if the chairman is going to be named, maybe we should put the vice-chairman in the chair, if it's all right with you.

Mr. Riddell: I agree.

"At Mr. Whelan's request, I am forwarding a copy of an article in the newspaper *Standard-Freeholder* of April 6, reporting on the views of Mr. Villeneuve, along with a prepared statement from Mr. Whelan in answer to the article. It would be appreciated if you could correct the information in the Legislature"—well, I don't intend to do it in the Legislature, but I want to do it here in committee—"so that the impression created by Mr. Villeneuve is not allowed to remain unchallenged. A copy of this letter is being sent to your colleagues, as listed below. Perhaps you could discuss the matter with them and decide if a reply in the Legislature can be made."

I'll refer first of all to the article, which commented on the speech that Mr. Villeneuve gave in the House. I am sorry I only got in for the last part of that speech. I was greatly impressed with the way in which Mr. Villeneuve put his message across. I have a lot of respect for Mr. Villeneuve. I know his genuine concern about the dairy industry. But maybe we have to get some of the facts corrected, because Mr. Whelan obviously disagrees tremendously with some of the statements Mr. Villeneuve made.

Hon. W. Newman: Can I ask you a question, just so we have the record straight? Is that letter from Mr. Keith Matthie to you or to me? I wasn't sure.

Mr. Riddell: It was actually sent to Mr. Hugh O'Neil, but carbon copies were sent to Albert Roy and Sean Conway. In other words, they gave them to the eastern Ontario members.

Hon. W. Newman: Fine. Fair enough.

Mr. Riddell: The article states: "Backbench Tory MPP Osie Villeneuve (Stormont-Dundas-Glengarry) has rallied to Prime Minister Pierre Trudeau's call that it's 'almost treasonable' not to discuss national unity nowadays."

"But it is unlikely that Trudeau will appreciate Villeneuve's message."

"Osie is 72, in his seventh term and doesn't speak very often in the House."

"But his riding, which surrounds Cornwall, is a major dairy farming and milk-processing area, and he is quick to respond to threats to either of those industries. Right now his target is the Canadian Dairy Commission's pro-Quebec, anti-Ontario stance"—and I think he alluded to that a wee bit in his comments here just a few minutes ago.

"An Anglo-Saxon couldn't get up and say what I am saying"—now, this is quoting Osie—"because they would say (in Quebec) that he was a bigot," Villeneuve told the Legislature. "But I will say it, because I am representing the people in my area, and it doesn't matter whether they are Frenchmen, Scotsmen or Englishmen."

"And what he had to say is that federal Liberal policies are ruining the vital cheese-processing industry in eastern Ontario."

"The twisted Liberal view of national unity is to discriminate against Ontario producers and processors in favour of Quebecois."

"We never had too much trouble in eastern Ontario until the new chairman of the dairy commission in Ottawa came on the scene," Osie said. "The gentleman's name is (Gilles) Choquette, who was a very valuable organizer for the Liberal Party in Quebec. They like him there, and I can understand that."

"Yes. And here's why, in Villeneuve's eyes:

"Since formation of marketing boards, the number of Ontario milk producers has declined 24 per cent, while Quebec's has increased 94.4 per cent."

Try to keep these figures in your mind, Mr. Minister, because they are going to be refuted in the response from Mr. Matthie.

Hon. W. Newman: If I'm going to keep track of the 24 per cent—

Mr. Riddell: Okay. "Since the formation of marketing boards, the number of Ontario milk producers has declined 24 per cent, while Quebec's has increased 94.4 per cent."

"Over the past decade, 'Quebec kept building their (dairy) herds, in spite of going over their allotted production,' to the point where 80 per cent of the surplus purchased by the

Canadian Dairy Commission came from Quebec.

"Quebec's quota was then cut 9.6 per cent, but Ontario's went down 22 per cent, and the western provinces' fell 27 to 37 per cent.

"As a result, some processing plants in eastern Ontario are closing due to lack of milk.

"We are putting the small operators, the few that are left, to the wall. They are going out of business," Villeneuve complains.

"Ontario's cheddar cheese production is down 16.2 per cent, Quebec's is up 15 per cent.

"Other plants remain open because they truck in Quebec milk across Villeneuve's riding where producers sit without quotas.

"New processing plants are rising in Quebec. Applications in Ontario are turned down.

"An exporter who could sell 100 million pounds of—"

Mr. Villeneuve: One million pounds.

Mr. Riddell: Okay. It's got "100 million" here.

Mr. Villeneuve: One million.

Mr. Riddell: Okay. "An exporter who could sell one million pounds of aged Ontario cheese to Britain was told by Ottawa to go to Quebec instead.

"Villeneuve blames the federal Liberals, rather than Quebec, for this blatant discrimination, and as a French-origin backbencher he can speak where anglophone cabinet ministers have to remain mute.

"Maybe Trudeau should speak to Villeneuve's dairy farmers about national unity. Unless it's treasonous, of course."

All right, now the response that accompanied this letter from Matthie, and I quote:

"Federal agricultural minister Honourable Eugene Whelan, has replied to the criticism levelled at the operations of the federal Liberal dairy policy by MPP Osie Villeneuve.

Contrary to the statements made by Mr. Villeneuve, the cheese processing industry in eastern Ontario is not being discriminated against by federal Liberal policy," said Mr. Whelan. "Allocation of the provincial share of the national supply of milk is agreed upon by representatives of the provincial milk and cream producer boards, the provincial governments and the Canadian Dairy Commission which chairs the National Canadian Milk Supply Management Committee. Changes in the market-sharing quota are made by this committee, and not by the Canadian Dairy Commission," Mr. Whelan said.

"I am very concerned that the Canadian Dairy Commission and its chairman, Mr. Gilles Choquette, as well as its members,

have been improperly criticized for their efforts to bring about a balance of supply to market demand, and to be subject to public criticism based on wrong information," he added.

"Mr. Whelan stated that the number of dairy producers in Canada has dropped 60 per cent in the ten years since 1968-69, to 61,677 from the former total of 152,613 producers. In that period, the number of Quebec producers declined from 53,376 reporting to the Canadian Dairy Commission, to 23,913 currently, while the Ontario number declined from 36,775 to 15,679. The information given by Mr. Villeneuve was to the effect that Quebec producers had increased 94.4 per cent, which is simply not true." According to the figures here, Quebec's have declined, just as they have in Ontario.

"For the record, Mr. Whelan said that the original allotment of market-sharing quota in million pounds of butterfat was 439.1 for Canada when set up in 1970. Ontario's share was 148.8 million pounds and Quebec's share was 196.8 million pounds. Presently, the total is 362.8 for Canada, with Quebec at 173.9 and Ontario at 113.6 million pounds, as agreed upon by the provinces, acting through the Canadian Milk Supply Management Committee.

"Mr. Whelan said that allocation of milk within a province is under the jurisdiction of the provincial producer milk marketing boards, and the division between fluid milk and industrial milk is done by agreement with members of the processors' associations in each province. It is not the responsibility of the Canadian Dairy Commission or the federal government to make this decision. Consolidation of processing plants is taking place both in Ontario and Quebec, as well as other provinces. Recent information indicates a total of 217 fluid plants in Canada, compared to 348 in 1972. In Quebec, the number has dropped from 96 to 49, and the Ontario processors have dropped from 121 to 70 at present.

"Milk moves from Ontario to Quebec and vice versa, depending on the location of the producer and the milk plants. There is therefore no truth to the statement that new processing plants are arising in Quebec, which implies additional plants. New facilities are arising in Quebec, as in Ontario, but the total number of operations continues to decline in all provinces, leaving only the most efficient plants.

"As for cheese production, in Canada last year we produced increased quantities of both cheddar and other cheeses. Ontario has given emphasis to specialty cheese produc-

tion, and Quebec to cheddar cheese, but these are provincial decisions and we respect this jurisdiction.

"Mr. Whelan added that he wanted to provide this information to correct the impression left by the inaccurate information given by Mr. Villeneuve and others on this subject.

"Furthermore, in regard to the appointment of Mr. Gilles Choquette as chairman of the Canadian Dairy Commission, his previous experience was with the Dairy Farmers of Canada and he never was a Liberal Party organizer, as claimed by Mr. Villeneuve. I am very disturbed that statements would be made by Mr. Villeneuve, or anyone else, that would be so completely false," Mr. Whelan concluded."

I think it's up to you, Mr. Minister, to correct any misrepresentations that might have been made either on Mr. Villeneuve's part or on Mr. Whelan's part.

Mr. Villeneuve: I'll correct it, Mr. Riddell, with proof, and I'll have the figures here. We're going by the time right now. But I'm going to ask you a question—

Mr. Vice-Chairman: Before we get into the arguments here, we've gone past the normal adjournment hour. We have a couple of proposals. Since this committee is scheduled for four hours more of hearings, one suggestion is that if we added half an hour today and came back half an hour early tomorrow night and let another half an hour go by, we'd be done completely by Thursday night.

Mr. Villeneuve: I want to get some information from my office, if you'll give me five minutes.

Mr. Riddell: What is the rush to get done by Thursday night, Mr. Chairman?

Mr. Vice-Chairman: There's no rush but, if we're not going to do that, then we may as well adjourn this and continue it—

Mr. Riddell: After today, we still have five hours.

Hon. W. Newman: No. Four.

Mr. Riddell: Why four?

Hon. W. Newman: I don't know. Somebody keeps a stopwatch somewhere; I don't know who it is, but that's what they tell us.

Mr. Riddell: Every time we meet, we meet for two and a half hours.

Hon. W. Newman: Yes, but if they allow two and a half hours, we would automatically be finished Thursday night. But if we start 10 minutes late, it's deducted.

Mr. Villeneuve: May I just ask a question? Mr. Krauter, I understand you know about this management—and I'll not delay you, because I've got figures with which I want to rebut what has been said by Mr. Whelan. Can you tell me, sir—

Mr. Vice-Chairman: Can we settle the time? If we want to continue with this discussion and knock some time off, that's fine. But if we want to come back Tuesday night for these anyway, then we may as well—

Mr. Villeneuve: Thursday night.

Mr. Vice-Chairman: We're coming back Thursday night. But if we have to come back Tuesday night, we may as well have the full time then.

Mr. Havrot: We're only kidding ourselves that we're going to sit another hour and come back an hour earlier, because that never happens; so we may as well go ahead.

I would suggest that Mr. Villeneuve be allowed to answer Mr. Riddell's statements.

Mr. Villeneuve: I want to get some information in my office.

Mr. Havrot: It's only going to be a few minutes. Or do you want to leave it?

Mr. Villeneuve: Oh, no. I've got some information and figures in my office.

Mr. Vice-Chairman: Since we're past the normal adjournment hour, if we're going to have Agriculture and Food estimates on Thursday evening and next Tuesday evening, I'd suggest we adjourn now until Thursday evening. Agreed?

Some hon. members: Agreed.

The committee adjourned at 12:30 p.m.

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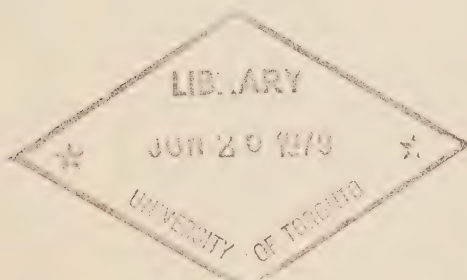
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Thursday, May 24, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, MAY 24, 1979

The committee met at 8:05 p.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Vice-Chairman: If we could come to order.

Ms. Bryden: On a point of order, Mr. Chairman.

Mr. Vice-Chairman: A point of order.

Ms. Bryden: I am sorry to take up the time of the Agriculture estimates, but I think we have to establish a steering committee for this committee to get some scheduling done.

We have had several referrals from the House among them Bill 24 which is going to require public hearings, which in turn necessitates the advertising and scheduling of sittings far ahead. We also have the referral of the report of the Ontario Highway Transport Board, which has not been scheduled, and other referrals as well. Most committees dealing with referrals of this sort have steering committees. This committee has not had one recently; anyway, not since I have been on it. I think we do need one very badly.

It is also necessary to draw up a budget, since we are planning a trip to Dryden and will have advertising expenses for the public hearings. We should have a committee to do that as well. I don't think we want to take up the time of this committee to do those tasks. I think that should be done by a steering committee.

The decision on May 15 was this committee should proceed with the draft reports on the environmental hearings as soon as the Ministry of Agriculture and Food estimates are completed. We hoped that would be tonight then the environmental hearings could start on Tuesday. I hope they will still start on Tuesday, if there is any time available, or as soon after as possible, because people who were on these environmental hearings last February have planned to transfer to this committee from other committees for that week, starting May 29. I think we should stick to the decision made on May 15 to go on with the environmental

hearings as soon as these estimates are completed.

Mr. Vice-Chairman: You don't mean hearings, you mean meetings.

Ms. Bryden: Yes. I mean the meetings on the draft report on the environmental hearings. I think we need a steering committee to schedule from then on. We agreed on May 15 that we would carry on the environmental draft reports until they were completed and we would then, perhaps, go back to estimates but I think we have to look at all these other things on our plate.

So, Mr. Chairman, I would like to move—

Mr. Eaton: Mr. Chairman, she raised that on a point of order. I don't think that is a point of order.

Hon. W. Newman: If you are going to make a motion, you make your point of order first. If a point of order has been made, we should be allowed to speak to it before any motions are made here.

Mr. Chairman, my understanding with the estimates is that we are sitting tonight and next Tuesday night, for whatever it takes to wind them up, an hour and 50 minutes—whatever it is. My understanding is the next estimates to come up are the Ministry of Natural Resources. That is the way I read the Order Paper. I gather that the House leaders meet on a regular basis to decide the order of business.

All I am saying, Mr. Chairman, before you make your point of order, and it really doesn't affect me, I also thought we were going to finish tonight but we are not, because of time constraints. That is fair enough, I quite enjoy estimates.

I just want to point out a few things regarding your point of order and the motion. There are House leaders of three parties who sit down and decide the order of business. The order of business, as I read it now, and as I read it today in the Order Paper in the House, is that the Minister of Natural Resources (Mr. Auld) will follow through on Tuesday night when we are finished. This is in concurrence with the House leaders. Mr. Chairman, I am not trying to take away from your responsibilities, but that is my understanding.

Mr. Vice-Chairman: That was discussed the other night, and, as I understand it, we could make suggestions but had to have concurrence of the House leaders.

Mr. Villeneuve: I took it up with our House leader and I told him what the committee recommended and I told him I would be guided. I get my orders, as chairman, from the Clerk of the House.

Ms. Bryden: My understanding is that the committees decide their own timetabling and report what we decide to the House leaders and they try to fit things in with the wishes of the committee. On May 15 when we moved that the draft reports on the environmental hearings start as soon as the estimates of the Ministry of Agriculture and Food are finished, we asked the chairman to inform the House leaders of this, and presumably he did. So the House leaders know that the Ministry of Natural Resources cannot follow.

Mr. Villeneuve: I informed my House leader. I didn't inform the opposition House leaders. I presumed some of their members would do so.

Ms. Bryden: Presumably they informed each other. It does not follow, just because it is on the Order Paper, that the Natural Resources estimates follow Agriculture and Food. This committee has other referrals on its plate and it must schedule those as well. That's why we must have a steering committee to bring in a report for next week to deal with those referrals in an orderly fashion between now and the end of the session.

If we go on the way we are, we will never get to these referrals. Bill 24 is a very important bill which is going to require public hearings, as I said. We have got to schedule that well in advance. Therefore, I would like to move that we set up a steering committee I have a motion drafted to that effect.

Mr. Vice-Chairman: Let's find out if anybody else has anything to say on your point of order.

Mr. Eaton: I don't feel that she has a point of order right now, as a matter of fact. We are discussing the business of the Agriculture and Food estimates. That's what we are scheduled for tonight. If we want to bring that up at another time when the committee is meeting and is prepared to go ahead and do it, we should. But I don't feel there is any point of order. Our procedure is the Agriculture and Food estimates tonight, and that point of order doesn't apply to these estimates at all.

Ms. Bryden: It applies to this committee.

Mr. Eaton: You keep popping in and bringing up things different to what we are sup-

posed to be doing. Some members of the committee that aren't here half the time just pop in for what they want.

Mr. Wildman: I understand what Mr. Eaton is saying, but at the same time, as members of the committee we do have a tremendous amount of work to do. I think this is one of the busiest committees in the House. We have to consider the estimates of a large number of ministries, plus a large number of referrals. We have this report to prepare on the Minister of the Environment's referral to this committee which has been hanging on for a long time. I think it must be completed at some date, hopefully before the end of this session.

We had a lot of people appear before us to give us their positions and their opinions. I think it is only fair to those people, as well as to the public and the assembly, for us to complete that as soon as possible. Trying to fit that kind of work in with our very serious and important estimates work requires, perhaps, a meeting of minds of representatives of the three parties, and maybe we should go that route so we don't have to take up the time of the committee when we should be considering just estimates, like right now, to discuss this.

If we were to appoint just three members who could meet together, the chairman and one member each from the Liberals and NDP, to talk about the scheduling and then consult with the House leaders outside of the time of the committee meetings, we wouldn't end up with this kind of a situation where we spend time that should be spent on estimates discussing schedules.

Mr. J. Johnson: Yes, Mr. Chairman, I would like to suggest that we follow the order that's been set out for us—the Minister of Agriculture and Food and the estimates he has presented. This ministry was under a lot of flak last fall over the same questions. Surely this is the time that we could dispose of one set of problems instead of bringing on another. Now, Ms. Bryden raises the question about Environment, and certainly it's important, but not any more important than Agriculture. I feel that the minister should have the right to finish his estimates and then we can deal with the other aspect of it. To flop back and forth constantly is ridiculous.

Let's finish the Agriculture and Food estimates, then we can deal with environmental problems. In the meantime, the House leaders can surely agree on an agenda and consult with critics. There seems to be a lack of understanding between the critic for the NDP and the House leader for the NDP, but

surely they can get together over the weekend.

[8:15]

Mr. Lane: I was just going to suggest that we do have a heavy work load and time is important and we are wasting it right now. I suggest that the parties represented here tonight get back to their House leaders and make them aware of the problem we are talking about and get some direction from them.

Mr. Riddell: Ms. Bryden is probably concerned about completing the environmental report. I have a feeling we have already made arrangements to deal with that. I am not aware of any other referrals that are forthcoming before this committee and I fail to understand what her concern is.

Mr. Vice-Chairman: Maybe if you check with the clerk he would advise you that there are some.

Ms. Bryden: Bill 24 is a major referral. It just happened last week; maybe you didn't hear about it.

Mr. Vice-Chairman: Bill 24, Bill 136, the annual report of the Ontario Highway Transport Board 1977—

Mr. Riddell: Is it up to this committee to establish the order of business?

Mr. Vice-Chairman: That is what we seem to be arguing about right now. It has been suggested that a motion be put. I would like to be guided as to whether or not we should even entertain a motion at this time.

Hon. W. Newman: I think if a point of order is brought before the Agriculture estimates, that's fine if it deals with the Agriculture estimates. We should finish Tuesday night I gather, according to the time frame. It is to bring up this point of order tonight on the Agriculture estimates—I think it would be more appropriately dealt with by chairmen of the various committees, if that is necessary, and with the House leaders as well. I don't care as far as my estimates are concerned except that people are giving up their time to be here. There are people who would like to be in the Agriculture estimates and unfortunately—looking around here—there are people who would like to be on the land planting crops. I am sure they would like to get the estimates over with and cleaned up so they can get back to their various activities.

If they are going to change the order from the Ministry of Natural Resources to something else, that is a matter for the House leaders or the chairmen of the committees to work out. I am not trying to buy any time because I am prepared to take as long as is

necessary, but I look around this room and see a lot of farmers here, including myself, who would like to plant some crops one day, if possible. If there is a problem, that is where it should come up. I don't really think this point of order should come up at this point in time. I am not being critical when I say that, but surely your own House leader must have some idea of what's going on, rather than have you coming down here with a point of order in the Ministry of Agriculture and Food estimates.

Ms. Bryden: My House leader informed me that the committee decides its own time table, not the House leaders, and that a motion can be moved at any time during a sitting of the committee to establish procedure. I agree with the minister that it is very bad to take up the time of the Agriculture estimates with this sort of procedural argument, but if we had a steering committee we could avoid it and we could bring in recommendations for the meeting next week. I am sure the Minister of the Environment (Mr. Parrott) next week or the people dealing with that referral will say too, "Why should we take up the time of the Environment hearings to discuss procedure?"

Any meeting of this committee is open to discussing its next sittings, its scheduling and what is on its plate. All I am doing at the moment is trying to get this committee to make some decisions about its next sittings.

Mr. Vice-Chairman: This, as I understand it, is a meeting of the resources development committee. We happen to be dealing with the Agriculture estimates but it is a meeting of the resources development committee and therefore we will have to entertain points of order dealing with the resources development committee.

Ms. Bryden: I would think that is correct.

Mr. Vice-Chairman: So if you have a motion, make it and we will pass it or defeat it and get on with Agriculture and Food.

Ms. Bryden: moves that the resources development committee establish a steering committee of one representative from each party plus a non-voting chairman, and that the steering committee prepare: (1) a proposed time schedule for dealing with all the referrals to the committee, including bills, annual reports and estimates, and to submit to the schedule to the committee next week for consideration; and (2) a budget for the operation of the committee for the balance of the session.

The member for Beaches-Woodbine hasn't named the committee.

Ms. Bryden: No, perhaps we could leave that for consultation with the caucuses to name the person—

Mr. Vice-Chairman: The understanding is that each caucus would name one person.

Ms. Bryden: Yes. As far as the chairman goes, it could be the chairman of the committee. His function would be simply to chair the meetings and to call the meetings at the request of the others.

Mr. Vice-Chairman: Okay, you've heard the motion. Is there any more discussion? Only resources development committee members or those with official substitution can vote.

Those in favour? Three.

Those opposed? Five.

The motion is lost. Can we get on with the estimates?

Mr. Riddell: On a point of order: We've now spent 22 minutes on matters that have nothing to do with the agricultural estimates. I suggest that the 22 minutes be added to our time on Tuesday, so we can complete the agricultural estimates.

Hon. W. Newman: We talked about estimates. I don't care if we sit Tuesday, I don't care if we sit Wednesday, I don't care if we sit next Thursday, but after that I have some other meetings. We are dealing with the Agriculture and Food estimates, but every time we start five minutes late, or 10 minutes late, or whatever it may be, it's deducted, and I don't know who's got the time clock, but that's fair enough. Tonight we started estimates here at five after eight, or whatever time it was, and I don't mind the extra time. If somebody wants to bring a point of order before this committee, that's fine, as far as I'm concerned; it doesn't matter that it was brought forward in the Agriculture and Food estimates. But I talked to the Minister of Natural Resources (Mr. Auld) this afternoon and he is planning to move in when we're finished.

If you want to add 20 minutes, vote on it. That's fine by me. I don't care if you add 20 hours—well, no, not 20 hours, sorry about that—or whatever you add, but I do feel that in fairness to all the others, the Ministry of the Environment or whoever else is involved, our estimates should start at a certain time. I would like to ask Mr. Chairman for a ruling as to whether we can extend them. I don't mind extending them; because I quite enjoy the estimates, as I said earlier, I really do.

Mr. Riddell: It was not a member of this committee who took up the 20 minutes we've spent thus far in this committee. I would

be inclined to agree with the minister if it was a member of the resources development committee that wasted the time. But it was not a member of the committee, therefore I don't see why the members of this committee should be penalized on the time that I feel is necessary to spend on the agricultural estimates in order to complete them to the satisfaction of all members of this committee. I certainly don't think the 25 minutes should be deducted from the agricultural estimates' time.

Ms. Bryden: On a point of privilege, Mr. Chairman, I am a member of this committee, if you're referring to me. I have been a member of this committee all along.

Mr. Eaton: You just haven't been here for any agricultural estimates—

Mr. Villeneuve: Mr. Chairman, in fairness, I honestly feel that if there's a certain number of hours allotted to an important ministry like Agriculture and Food, we should have the full time. I do not like to impose matters on you; it's no fault of yours or your staff that some of them may be away from other duties that they may be performing, but in fairness, as chairman of this committee, I would rule in favour of allowing this time. That's my view.

Hon. W. Newman: I don't care if you offered four or five hours, I'm easy. There are certain rules, and I must admit I don't read the rule book, because I'm just a farmer. I'm a very practical sort of a person, so that I'm quite prepared to spend whatever time you want to spend. As far as I'm concerned that will be entirely up to the House leaders who originally set this up. They made the rules.

Ms. Bryden: I am a member of this committee, and has a right to speak on a point of order. I just point out that there are rules in the House, rules set by all parties. If you want to sit an extra 20 minutes I have no objection at all, but I say there are certain rules and I would ask you, Mr. Chairman, to decide or—

Mr. Vice-Chairman: I am going to be guided on this question. Apparently, this committee's been allotted so many hours and that's been divided up, and if we add something to Agriculture and Food, we're going to take it away from something else. Not necessarily?

Mr. J. Johnson: I would like to concur with the statement that you just made, Mr. Chairman, because that is exactly what happens. We've X number of hours and we allocated them to the different ministries

If someone in this resources development committee wants to take time for Environment when they should be dealing with Agriculture, we have to either subtract it from Environment, or add it to Agriculture; and I don't think that that's our procedure. It should be up to the House leaders to decide that.

The Minister of Agriculture and Food is here; we should be dealing with agriculture. If there's a problem with House leaders, it should be resolved amongst the House leaders. If the opposition has a problem, then they should discuss with their House leader. I think the Minister of Agriculture and Food should be through when his time expires on Tuesday evening, whatever time it is.

Mr. Vice-Chairman: Let's get on with the business of the committee. I don't think we're going to accomplish anything here, arguing this point. I almost hate to acknowledge it, but I've been asked for a point of privilege by Mr. McGuigan.

Mr. McGuigan: I want to correct a small item in the Hansard of yesterday. Page 40. It may have been my fault, I don't know, but it conveys the opposite meaning. I'll quote: "Our agriculture has become very sophisticated, to the point where we can use these casual people who come along expecting to get a job for three weeks or a month." I said, or meant to say, that we can't use these people, and I'd just like the committee's approval to have the Hansard changed before it's published in its permanent form.

Mr. Vice-Chairman: Do we approve the change or do we just record what's been said tonight? Record what's been said tonight, and that should correct it.

Mr. McGuigan: Thanks. I'll speak to the Hansard people.

Mr. Vice-Chairman: Does anybody else have any other points of order or points of privilege before we get going?

Mr. Riddell: Would it be in order if I moved that we add 25 minutes to our estimates time on Tuesday?

Mr. Wildman: As long as we don't add 25 hours.

Mr. Vice-Chairman: I don't think that's in order, because I think the time is allotted or this estimate. When we left off the other night Mr. Riddell had read a couple of letters and Mr. Villeneuve was about to reply.

On vote 1904, agricultural marketing program; item 2, marketing:

Mr. Riddell: Before Mr. Villeneuve replies, Mr. Chairman, I opened up this discussion on the dairy industry in Canada, or more specifically, in Ontario. Obviously, we've been given some conflicting figures and facts about the dairy industry and I want you to know, Mr. Chairman, that we do have somebody in this room who I believe can render some assistance in the name of Mr. Kenneth McKinnon, the chairman of the Ontario Milk Marketing Board. I hope you would see fit to have Mr. McKinnon straighten us out on some of these matters. I know that Mr. Villeneuve wants to dispute some of the figures that I used. I was simply relating figures that were sent to me from the federal Minister of Agriculture's office in rebuttal to statements Mr. Villeneuve made when he replied to the throne speech.

We have someone here who does have the facts and figures. I hope that in our discussions he would be given an opportunity to correct some of this information if indeed, it appears that we can't agree. I just want you to realize that Ken McKinnon is here, and I would hope that we may have a chance to hear from him, before we complete the discussion on the dairy industry in Ontario.

Mr. Vice-Chairman: Okay, but I think we should give our committee members the first chance to speak—

Mr. Riddell: I agree.

Mr. Vice-Chairman: At the present time, I have Mr. Villeneuve, Mr. Wildman, Mr. Gaunt, and we'll go from there.

[8:30]

Mr. Villeneuve: Mr. Chairman, Mr. Minister, and members of the committee. Before I make my speech in the House, I want to make a short statement.

We have problems of milk supply and production in our country and particularly in eastern Ontario. The reason for this is that there is no tie between production and markets available in our province. Eastern Ontario can produce. The reason for this difficulty is because of the allocation system. The Canadian National Milk Supply Management Committee is chaired by the Canadian Dairy Commission, a federal crown corporation. The supply of milk to Ontario industrial plants is in extremely short supply, such that traditional Ontario markets cannot be adequately supplied and some export markets in the United Kingdom will go unfilled.

Ontario cheddar production is down 11 per cent for the period between January to

September 1978 compared with January to September 1977. Canadian cheddar sales are up five per cent in the same period. This is a direct loss to Ontario as we cannot supply our traditional Canadian demand for Ontario products and we will not have enough cheese to supply United Kingdom demand next year.

I am concerned because on March 15, 1977, the riding I represent—Stormont-Dundas-Glenarry—had 1,298 milk shippers registered with the Ontario Milk Marketing Board. Now we do have approximately 200; around 145 fluid milk shippers shipping to Montreal are registered as Quebec shippers and 65 to 70 industrial shippers who are similarly registered in Quebec on top of that. But that number has dropped. In December 1978 the milk marketing board here registered 1,048. It has dropped some in Quebec, too; I can't tell you the figures, though. Some people who are getting old or are going out of business sold the quotas they had at a very advantageous price, and sold their cattle at a good price, which is a normal thing to do.

Mr. Chairman, that is a 20 per cent reduction. I am concerned because the backbone of the area I represent is fluid milk shippers. When I gave my figures in the House, I took them from figures, at a glance, put out by the Dairy Farmers of Canada; these are for commercial farms, defined as farms having total farm sales of \$5,000 or more. In my area, I do not know of a man who's equipped a farm with modern equipment, who has put in a bulk tank, to go in for sales for five cows or less. The average milk production in Ontario in 1977, for all breeds, was 11,000 pounds per cow. Figure \$10 a hundredweight, without subsidy, and you come to \$5,000.

There may be others; I realize I never mentioned shippers, which are similar. I spoke of commercial dairy farms, but perhaps I was at fault. I did not say \$5,000 or more because in my area they wouldn't know what I was talking about if I mentioned less than \$5,000. They'd wonder who had the goat herd. There are some goat herds. I do not know if they're registered. I know that they ship some milk to hospitals, as queer as it may sound it's very true.

Now, I didn't imply that that would be recorded. I'm talking about a commercial dairy operation. My figures are in this book. Don't take my word for it, since I was accused of being false. I'll read it you, and you follow what I say.

The following is the number of commercial dairy farms having total farm sales of \$5,000 or more. The source of this information is table 6, Census of Canada 1966, 1971 and 1976, Agriculture, Statistics Canada. That, I believe, is the Honourable Mr. Whelan's ministry. The next census figures—

Mr. Wildman: Was.

Mr. Villeneuve: Well—"was," all right.

The next census figures will not come before 1981, but the Ontario Milk Marketing Board have figures for Ontario and Quebec up to and for 1978, which tell me something. Here are the number of commercial dairy farms in this group.

In 1966, Ontario had 16,221 such farms; in 1971, 15,745; in 1976, 14,697. In December 1978 the milk marketing board recorded 12,361, which shows a decrease of a neighbourhood of 24 per cent, which I stated.

Quebec in 1966 in that category—I'll repeat again, \$5,000 or more; I'm not talking about goat herds: I'm talking about commercial dairy operations with an income of \$5,000 or more—Quebec in 1966 had 12,987. That jumped to 21,113 in 1971; in 1976, 22,489. The latest figures I've received from the milk marketing board for 1978 is 23,658—in Quebec, I'm speaking about. Now if you figure from 12,000 to 23,658—I was wrong in my statement when I said 24,984; I didn't do that intentionally, that is the information I got but I found out it wasn't correct. The right figure is 23,658, therefore I was wrong in giving the increase as 94 per cent, but it's somewhere over 80 per cent. But it's not a minus; it's a surplus in number.

Now I didn't state this when I mentioned Mr. Choquette's name. Some of you may not know, but I know he was executive assistant to Mr. Whelan. He was appointed at a time after the former Liberal government in the province of Quebec was taxed, as we all are when we over-produce—farmers, that is—in the neighbourhood of \$20 million. I'm just saying it's a ball-park figure; it's in that neighbourhood. That was collected and deducted in the same way as the milk marketing board in Ontario does, but in Quebec they settle on a butterfat basis; we settle on a weight basis here. There could be some difference of thinking between the two sources there.

The dairy farmers were forced to pay that levy, but before the Liberal provincial government lost power in Quebec, at election time they promised their farmers that they would remit the money that had been deducted, which is contrary to the whole principle of the set up. But, mind you, Quebec

interprets laws to suit themselves. That sounds funny coming from me, but I'm telling you what I know because I've lived alongside them all my life—

Mr. J. Johnson: You are an honest man.

Mr. Villeneuve: No, I'm not. I'm just telling what I know to be truth. I'm not according to some; I think I am, but, however, they think not. So it's a free country; they've got a right to their opinion. Now that government—

Mr. J. Johnson: Mr. Chairman, we should correct his statement.

Hon. W. Newman: On a point of order, would like Hansard to read properly that Mr. Villeneuve is an honest man. In the way the question was asked, it might be misinterpreted in Hansard.

Mr. McKessock: You put your foot in his mouth.

Mr. Villeneuve: Anyway, the last \$20,000, \$20 million, \$10 million—I'll have it right—as never paid because that government was defeated. Now, listen. I know Mr. McKinnon here and I appreciate he has a very, very difficult problem. So has any government dealing with the province of Quebec at the present time. Nobody knows it better than I can give you a list of 11 truckers in my area of eastern Ontario who had to pay \$32,000 if they wanted to move across and do business there, because they hadn't bought gasoline. One of them hauls his fluid milk to the Montreal market seven days a week. It's not much satisfaction to him if he's stopped at the Quebec border and told, "Go back with your milk."

These are situations I haven't mentioned but with which we've got to live. Naturally, it is fine as long as things are done above board so the people I represent are treated in the same way as those in Quebec—I'm not asking for favours—but I do not want the other fellow taking money out of my pocket. I cannot make it any plainer than that.

This is why I accuse Mr. Choquette, a native of Quebec. He knew about this deal before. This is a point I did not make in my speech. I didn't want to say anything but note figures. I mentioned it to you, Mr. Minister, last September, so you could go into this matter. I didn't know the details; I had no friends in Ottawa who were going to give me the information. But I do have a good connection, even in the province of Quebec, that keeps me fairly well posted. It is a good thing to have friends all over.

Mr. Whelan denies discrimination. I suggested that there was discrimination against Ontario milk producers. A federal member

in our area timed it fairly well. I spoke in the House on April 2, and he got Mr. Whelan's response in the paper last Thursday. But in this week's paper I am asking him some of the same questions I'm asking here tonight so he can answer to the milk producers.

Mr. Whelan denies discrimination against Ontario milk producers. I say this: Please have the Hon. Mr. Whelan explain why the Ontario milk producers have paid \$7,080,772 for over-production of quota as penalties for the 12 months ending March 31, 1978, whereas Quebec's penalties to their producers for over-quota production during the same period was in excess of \$11 million. I am not sure, I have heard two interpretations of that. It's either that there's \$7 million owing, or \$7 million of that amount that has not been collected. I say this: To my knowledge it has never been collected from the Quebec milk producer.

Why? Why?

That's all I want, an answer. Please tell the Ontario milk producers why they should pay the full penalty and the Quebec producers be forgiven \$7 million, Mr. Choquette, chairman of the Canadian Dairy Commission. Who made this decision? I do not know. Someone made that decision. No one writes off \$7 million for me, just because I ask them to. Someone's got to make the decision. Did he get orders? I do not know. Did he consult other people on that commission? I question it, because they know they would have to answer for it. These are things I think we are entitled to know.

[8:45]

I accused this gentleman of being a Liberal Party organizer in Quebec. He was executive assistant to the Honourable Mr. Whelan as his Quebec lieutenant prior to his appointment as chairman of the Canadian Dairy Commission. I do not say that in an unkind manner; you know, I know.

I do not know how well Mr. Whelan can speak French, but it is understandable he would have to have somebody like that to deal with those people, one who knows all the tricks of the trade, one of their own who can speak to them in their maternal tongue. As I say, when you are dealing with Quebec, you are not dealing with Ontario. I have sold cattle there for 30 years and I know some of their ways. Mind you, what I would say was dishonest very often they look at as just business. I am just saying that.

Mr. McNeil: Very well put.

Mr. Villeneuve: Well, Mr. Chairman, I do not want to take up too much of the time. That is my argument. I didn't attack Mr. Whelan because—I will say it publicly—I like Eugene Whelan, I always have. I tell you, I think he is a gentleman, even though he has no college degree, and like myself, has a limited education. Perhaps he doesn't use choice language, or the best of grammar, but he gets across a message in a language that the farmer understands. My view, irrespective of what I think personally, or our political views, I still say that heart and soul he is trying to help the farmer, and that is why I like him.

Mr. Vice-Chairman: Please note that.

Mr. Villeneuve: This table is there. It is not necessary to read it. I don't think there has been much argument about the agreed upon percentages. It is lower, and I think that is based on production to some extent. I said in my speech in the House that we had very poor crop years in 1972, 1973 and 1974. A lot of that group I pool milk that normally in eastern Ontario was diverted into processing, was transferred into Toronto to supply the best market for, as I said, the highest return, and to protect it, because it is used as straight milk. Nevertheless, the fact that we fell down in those years—he based it somehow in the revaluation of this on the production.

Well it is strange. In that period of time Quebec has created 80 per cent of the surplus butter sold to the Canadian Dairy Commission, the same as the skim milk, percentage-wise, roughly, in the six years, over the same period. They produced a surplus over their quota. Now, when it comes to revising it by Mr. Choquette, Ontario is cut down 22 per cent—this was from the 1977 quota—from the original quota set in 1971; Quebec, 9.6 less. Manitoba—they are smaller quantities—cut 27 per cent; Saskatchewan, 37 per cent; Alberta, 32 per cent.

When you live alongside a province and you do business with them, and you know some of their traits—and I am not speaking unkindly here, I am just telling the plain truth—when you see this thing I want every one of you to know it is pretty hard to explain. I will give you an example of what I mean.

Here's a small farmer, during that period of time—I'll give you his name, Bruce McDonald, RR 2, Monkland, Ontario—who came to see me with his wife and three children. His wife said, "Mr. Villeneuve, how can we live? My husband works in the hospital on the night shift as an orderly,

I, with the children, try to look after the farm. We only have 17 cows."

I was coming to the point of telling him "Well, in this day and age you haven't got what I'd consider a viable operation." But he surprised me—and thank God he did. Before I got the words out of my mouth he said, "I haven't got \$1 of debt. I don't owe anybody. I've got a bulk tank—a small one—that I bought for less than half of what it is worth, because one of my neighbours expanded and he had to buy a larger one. But," he said, "some day I'm hoping to settle with my family, because it's the home place, and bring my herd up to perhaps 20 or 30 cows. I don't want to become a big farmer, but that's my life. I would like to do it."

He didn't ship too much milk because he was over production. He knew that. He only had a small quantity of milk; 58,67 pounds was his quota. He's a small farmer. Anyway, he went over his market sharing quota to date—this is for milk that was shipped, either in February or March. This is the March payment, but it's for February milk, one of the costliest months of the year to produce milk, and maybe you know that. But anyway the total value of his milk that 15,037 pounds, was \$145.42.

Now I'm not blaming the milk marketing board, do not get me wrong. I want to explain this very clearly. They have to be guided by rules and regulations which they follow, and I'm proud of them. Nobody else would want them to do anything different.

I think I spoke on this in the House a year ago. At that time, I said that they were offering help to any outside organization that had any questions to ask, their books were available to be audited and looked over to see if there was anything to find fault with or criticize. But how do you explain why five months of the year trucks go by the young man's door hauling milk from another province—80,000 pound carriers? He ended up with a cheque and the amount in the bottom, "Amount due OMMB"—this is for over-production—" \$283.22."

Talk as you like. Any intelligent man knows that's way over production quota and he should know better. We'll say that. But how do you explain to people that this little fellow has to be punished while other people if we are led to believe what we hear, are being forgiven?

I realize this is a national affair and I'm sick and tired of being blamed for the actions of my government and the milk marketing board. We entered into this and tried to tell them, "We've got guideline

We've got to stay within that. We're fighting hard to get more milk on the basis of we have the market for it." But we do not seem to make any progress.

Now I can understand the province of Quebec. They're going to hang on to the production of milk. It's a healthy business today; the people in it are making a dollar. They certainly do not want to sacrifice any quota. But what I find fault with is somehow, someplace, we are responsible for what we allow. How do we correct it?

No matter what allegiance they have, I will fight to see that the people I represent are treated fairly, honestly, in the same way as my neighbour. I'm not asking for more, but I want the same treatment.

That is why I spoke. I seldom get too loud in the House, but I'm going to tell you—here's another case just this year. These are two young brothers and I made a few notes, it's easier to read it.

Oscar and Bruno Laub are two German boys; one is 27, the other one is 32. They bought the farm from the father; 250 acres. They rent 100 acres of ARDA land alongside of theirs to make 350 acres, which I think you will agree is a good viable operation. Now the 27 year old is married. At the time they gave me this information they were expecting a baby, which arrived last Thursday. The other boy is not married. They're milking 42 cows. All right?

Litres are a little hard for me to follow, but I'll be quite frank, and therefore I've got it converted into pounds, I understand that better. They shipped 59 days of production during February and March; they sold 2,800 and 600 pounds of milk. There may be a few odd pounds more. On their statement, and I have it here, their net income for that milk was \$727.81. The trucks, I repeat, are going by their door—within a mile and a quarter, so that's practically at the barn door—hauling this milk seven days a week from a far away from 25 miles this side of Quebec City, which is the same distance as Windsor to Toronto and back.

The value of their milk, if they had received the normal price, plus the subsidy—they lose the subsidy anyway—would be \$278.41. They received \$727.81. When milk is in short supply, that's supposed to be spread and treated alike all over the areas of different provinces that entered into that agreement. The Ontario Milk Marketing Board entered into this agreement. This is why I want to find out something about this \$1 million, or try to.

I broke this down. You NDP members are always saying the minimum wage should be

\$4 an hour, that one can't live at \$3. I hear that often.

Mr. Wildman: I understand the same problem you're talking about.

Mr. Villeneuve: Their average income—for the two of them—was \$12.20 a day. That's for two men. Every one knows you've got to milk cows 12 hours apart, or they'll soon go dry. You've got to have regularity and nature is such that unions or anything else can't change it. But you break that down; each man received for his 12 hours pay \$6.10 a day.

Mr. G. I. Miller: Fifty cents an hour.

Mr. Villeneuve: Well, figure it out. Their average test was 3.8, so it cleared them \$2.60, but I understand from Mr. Barker a 3.5 test value would net them about 32 cents less, about \$2.28 net.

An hon. member: Per day?

Mr. Villeneuve: Per hundred pounds of milk.

You've got to hand-feed cattle in the winter time if you want to keep up milk production, you know that. This is what they say, "We owe \$65,000 to machine companies and the bank, no mortgage." They have asked me to get information because they cannot keep operating and are contemplating selling out to meet their debts. Their layout is worth, I would say, at least \$200,000, but the way some of the farms are being sold in my area, I am way below, and I am very conservative on that figure.

[9:00]

I just ask, what do you tell people with no quota for milk? This is just an example of the many young men who are in the same situation in eastern Ontario producing industrial milk. Their fathers before them were old fashioned, they used cans. That went out of existence—and that had to come, because the province of Quebec was a year ahead of us for better quality milk, health standards and such.

We encouraged these young men to go into IMPIP loans; they built a milk house, they put in new milking equipment. They found the stables had to be renovated. Nine times out of 10 the contractor told them, "You are far better off building a new one." The majority of them would go to the banker, and the banker would say, "You go to farm credit." The farm loan agent would come out and—rightly so—he advised most of these young fellows, "You have 200 acres of good land"—if he was in the same situation; it didn't happen here—"you are working another 100 acres of land. You can milk 50

cows and grow enough feed here, which would be normal, more income. Sure, I'll approve your loan. Build for 50 cows." But instead of that the next year, pow, you are cut 15 per cent across the board.

Now there is over-production, and we can understand that. But we, indirectly, this government I represent, in good faith encouraged these young men to go into it. Then, naturally, to make it a viable operation it was natural for the farm credit agent to advise them, "Build when you are at it, one time, and have a viable operation. Twenty extra cows will give you that much extra money normally." That is the situation.

What I am coming to is, in March 1978 there were approximately 6,500 milk shippers who had no quota in Ontario. In other words over 50 per cent registered with the milk marketing board. As we say, it is pretty hard to turn off the tap on cows. This year what I am concerned about, Mr. Chairman, and Mr. Minister, is that it is no problem to sell a cow and get \$1,000, but it takes four years or so before the cycle goes to get her back into production again. This is what concerns me. They are in the happy situation today that they can sell off, but once you sell off you do not replace.

I am asking, what advice do you have to give to these men? I just told them, "Hold off. I am hoping some adjustment is being made." As yet, truthfully, I can't tell them whether it is wise to sell off everything and go into some other type of production on their farm, get rid of debt—it is a nice thing—and then find out that perhaps milk quotas, instead of being \$25 a hundredweight may be worth \$50 a year from now. You could buy them for 50 cents a hundredweight three or four years ago. These are problems, and I realize they are not created by any one group, but I would like answers.

There's one thing I am going to read—Mr. McKinnon, I would have read it had you not been here and I hope you take no offence from this, but I think it is factual. If I didn't think it was, I wouldn't read it. Along with Mr. Choquette, Mr. McKinnon addressed the annual meeting of the Ontario Milk Marketing Board on January 10 and 11. He gave a speech, and a very good one. He covered the subject very well. I read it. I am not going to bother about Mr. Choquette's speech. There are a few things he and I don't agree on, and he wasn't too kind towards you. It was the old idea of pushing the buck onto you.

Hon. W. Newman: He made a political speech.

Mr. Villeneuve: I am quoting Mr. McKinnon out of context now: "I regret to say that at the Canadian Dairy Commission level, we have encountered our customary difficulties, which are probably endemic of the whole federal-provincial problem with which we, as Canadians, are faced. To put the matter in perspective, it seems to us that when we discuss a national problem, milk suddenly comprises 13 per cent solids, and 87 per cent politics." I agree, 100 per cent. "During the deliberations of the Canadian National Milk Supply Management Committee, your board representatives get the feeling that decisions made, are made in the light of future electoral considerations, rather than for the betterment of the total dairy industry."

Now it is a strange thing, but our minds think alike, Mr. McKinnon. I hope you are not offended by my reading that, because that is exactly what I think. I am not accusing them, but that is exactly what I think when these decisions are made. I would like to get some information about why the \$7 million is excused, or how it is arrived at.

I told you in January, Mr. Minister, that I would bet my right arm they wouldn't force the farmers in Quebec to pay this before an election. They may change their mind and try to collect it these last few days before they say farewell. I don't know.

Mr. Vice-Chairman: Are you eliciting a reply from the minister, or would you like me to go around?

Mr. Villeneuve: I wasn't aware Mr. Krauter was on this management board, so I think after all, I will ask him about the \$7 million. Mr. McKinnon is in the audience, and you mentioned something about asking him.

Mr. Vice-Chairman: I'll go to the minister, and if he wants to refer anything to his staff, he can do that. Then I'll go to Bud. Would you like to respond?

Mr. Eaton: Don't you think you should make it perfectly clear that the facts Mr. Villeneuve placed on the table, the ones that letter refuted and said were wrong, are quite correct, as he has presented them to us out of Stats Canada?

Mr. Villeneuve: In fairness, I am not trying to accuse Mr. Whelan. He was asked to do a favour for a member. I understand that; I have been in politics long enough. I think he quoted from a scale different to the one I had; he had the lower bracket. I just took it out of this book, and I took it to be the truth. I had read a little bit closer, which I did not say in my statement in the House. These figures are for farm sales of over \$5,000 and

it is fluid milk production I am talking about. As I say, I was only speaking for my area. I don't know of anyone in the three counties who ships as little as \$5,000 worth of milk a year.

Mr. Eaton: I am just saying though, you have verified the figures you gave to the committee.

Mr. Villeneuve: That's right. This is what I wanted to do. I repeat that and show this to the others, because I am not expecting them to take my word, since Mr. Whelan says I am not telling the truth.

Hon. W. Newman: Mr. Chairman, the situation in the national supply management program—I want to make this very clear for those of you who don't know—is that we have two kinds of milk. We have fluid milk, which is dealt with completely by the Ontario Milk Marketing Board in the province of Ontario, and we have the national supply management program, which deals with industrial milk.

I first want to say this: I have had many discussions with Osie Villeneuve, and I have a great deal of confidence in his analysis of the milk industry. I think he has the most—with due respect to everyone else in this room—has a great knowledge of the milk industry.

I also want to thank Ken McKinnon for coming tonight, because as chairman of the Ontario Milk Marketing Board it is possible he might get caught in between. But he's a good man, and he's able to cope with it.

I just don't know where to start, Mr. Chairman, but as far as the industrial milk industry is concerned, I have made speeches and, yes, I've been quoted in error on them.

Osie, I don't know where to start, but I want to talk about the levy. You asked about the levy. You wanted to know about the levy on overproduction.

This may be confirmed by Mr. McKinnon. He wants to, that's up to the committee and the chairman, but the first figure that was given to La Belle Province was \$11 million. This was challenged by the province of Quebec, and it was reduced to \$6.9 million, or, as all we say, the \$7 million Osie is talking about.

Mr. Eaton: Reduced by whom?

Hon. W. Newman: By the Canadian Dairy Commission, I gather, by the supply management committee. The rationale was—

Mr. McGuigan: That's an Ontario committee?

Hon. W. Newman: No, no. That supply management committee has a representative from each province in Canada who meet and discuss with the Canadian Dairy Commission;

the chairman of the Canadian Dairy Commission reports to the Minister of Agriculture of Canada. I want to make sure that's very clear. It was reduced to \$6.9 million.

Mr. Eaton: Is the committee appointed, or does each province appoint someone?

Hon. W. Newman: Each province appoints its own representative. It was then reduced—and I don't know how; I really can't answer this question—to about \$4.5 million. But Quebec has not paid this levy at this point in time, although they have made an arrangement with the Canadian Dairy Commission to take a one per cent reduction in quota, and maybe one of the staff can concur.

Mr. Villeneuve: That is something that cheers me up.

Hon. W. Newman: They said they would take a one per cent reduction in quota. But there was a figure in there somewhere along the way of about \$1 million, and I don't think that anybody knows exactly what happened to it.

Mr. Riddell: The federal government covered \$1.4 million.

Hon. W. Newman: You mean the reduction? By what means? You see, none of us really know. At least I don't know. Maybe Ken McKinnon can clear that up for us. I do know, and I think it's fair to state that our supply management committee was concerned about that particular \$1 million or \$1.4 million, and exactly how that figure was arrived at. I am told it was done unilaterally by the Canadian Dairy Commission. I could be wrong, but that's what I was told. Anyway, I wanted to explain that part to you.

Mr. Riddell: Talk about the federal subsidy that the CDC has held back, too.

Hon. W. Newman: I beg your pardon?

Mr. Riddell: While you're at it, talk about the federal subsidy money the CDC has held back from Quebec. As part of the compensation for this alleged \$7 million which was reduced to \$4.5 million which is now down to \$1.4 million dollars. Doesn't it amount to something like \$856,000 federal subsidy money that the CDC has held back?

Hon. W. Newman: I'm not exactly sure.

Mr. Riddell: I just want the facts straight.

Hon. W. Newman: Let's get the facts straight. The thing is there's a national supply management agreement signed by all provinces. We signed it in 1971. I believe that is the correct date. We signed it in 1971. And things have changed since then.

All I'm saying here, and I've said it time and time again—it's time we had a look at it, just like any other supply management

agreement. I totally agree with that supply management agreement, but I think it has to be looked at and adjusted from time to time. Things have changed. Consumer tastes have changed. Populations have changed and there are many other things to be taken into consideration. All these things change, and they should be looked at. It seems very clear to me when some provinces—and I will not mention them by name; you know who we're talking about—are spending millions of dollars to build cheese plants, when our plants in this province are running at about 50 per cent capacity—

[9:15]

I'm not blaming that marketing board or anybody else. I'm saying that the whole program should be looked at from a fair economic point of view and a redistribution of the quota. We don't want it all. We don't want to be big, bad Ontario, as certain people have said. We're asking for a fair break. We're asking now for a review of the national supply management quota allocation. We're asking for credit for the export of cheese which we can develop; the markets are there for it. We're asking for those credits. At the most recent meeting—and I am glad Ken McKinnon is here, I think he would agree with me—that's what the Ontario Milk Marketing Board is asking for at the same time. They are now agreeing and saying this is what we should be doing.

If we're going to have a national supply management program it has to be reviewed from time to time. Allocations of milk have to be changed from time to time. It seems very foolish to be spending millions of dollars in one province to build plants when plants in other provinces are running at 50 per cent capacity, hauling milk 580 miles a day. The whole thing doesn't just quite ring true.

And we could talk about another matter. We are being encouraged by Ottawa, and the milk marketing board particularly to produce more specialty cheese in Canada, so we won't have to import so much. So the milk marketing board in their wisdom—mind you, they pay a premium for the milk—took off the quota for specialty cheese. So we did what we were asked to do, and by doing so the cheddar cheese plants are running short of milk.

We did what we were asked to do. We went back to Ottawa and asked Ottawa and the Canadian Dairy Commission to look at the total program. I don't have those figures in front of me, but I believe there's one province that I can think of in Canada today in which any farmer can produce all the

milk he wants to. I believe that's Alberta. Is that not correct, Ken?

Mr. McKinnon: And New Brunswick.

Hon. W. Newman: And New Brunswick as well. They can produce all the milk they want to produce and get paid full price for it, yet in this province if they produce over their quota our producers are being penalized at the rate of \$7.50 per hundredweight.

Now in a system that works like that, there's got to be some problems. And the problems have got to be faced realistically. I'm not criticizing the milk marketing board of Ontario because they've tried their best. I go back to the turkey quota, where the province of Alberta said they're going to pull out because they're unhappy with the quota system; they haven't resolved that. It's not as simple as the milk one, I realize that. But Quebec has never had to pay over in cash, to my knowledge, the amount of money that was owed through being over quota. It was taken off by a one per cent reduction in quota. As far as I know, very little cash has changed hands. Now, somebody can correct me on this, Joe Meiser over here is the expert on the finance end of it.

Mr. Villeneuve: Excuse me, Mr. Minister: did they offer that at their own request or was it the milk supply management committee that demanded that?

Hon. W. Newman: Quebec offered it. But I think there's a \$1 million or \$1.4 million figure in there that was arbitrarily decided by the Canadian Dairy Commission. I think it is safe to say that all the national supply management committee members from all the other provinces in Canada were very unhappy about that.

Mr. McKessock: Actually what you're saying then is that Quebec producers were able to produce all they wanted to then, without any—

Hon. W. Newman: Oh, no, not all they wanted.

Mr. Eaton: Have any Quebec producers ever paid a penalty then? Has it been collected from the producers at any time?

Hon. W. Newman: Oh, yes, I believe it has. We can give you the figures, yes, it has. At some time. I'm talking about this last year. We are upset. We signed a national program in 1971. It's like every other program; I don't care what program it is. I support national supply management, but it's time we took a look at it, and re-evaluate it.

I got word back the other day by a Telex from Mr. Whelan, before the election, saying,

"The imports of specialty cheese would not be less than 45 million pounds." We don't know where they're coming from. They're supposed to be exporting so much cheddar cheese over the next five-year period; they're going from one million up to five million pounds. I could be corrected on some of these figures, but I'm very close to the actual figures.

I have been saying for a long time: if you're going to make the system work, and work effectively—and I think we can, because I do believe in the system—it's got to be flexible. We've got to look at it. It seems very unfair, where one province out here—there are two of them now—can produce all the milk they want to produce; no penalty, nothing, and they can get full price for it. We in Ontario are taking some real beatings as far as penalties are concerned. Osie has given you the facts along with examples of some of the producers, and I could tell you of dozens and dozens of others who come into my office. I'm not saying that—

Mr. Villeneuve: I can give you a stack of them if you want more.

Hon. W. Newman: No, I've got lots, thanks. I'd like to run through this little thing, because I get up tight and I have so many notes on it that I've written here, and others. I've always said for a long time, and I've been criticized for it to some degree, that we need more flexibility in the scheme. We need a common-sense approach to it and we need some special credits.

We can export cheddar cheese from this province, as the chairman knows; he wanted to get a million pounds last year, and we won't go into that one tonight. It was met by a private person. We've got markets all over the world for our cheddar cheese. I believe cheddar cheese from Ontario was sold for the first time in Japan this year. Is that not correct? I'm sorry, specialty cheese to Japan.

We've got potential markets which we could develop and it seems foolish to charge a penalty to provinces which are not creating the problem. It's a national program and we've got to pay our fair share, I'm not denying that; but we've got to have a look at the total allocation to see how it's going and what should happen. It's time the system was overhauled. The Ontario Dairy Council I could think would agree with me the Ontario Milk Marketing Board has been more than fair and they realize that there's got to be some adjustments made in this scheme. I don't want to destroy the scheme, because I think it's a good scheme for the dairy farmers in this province.

As Osie has said, and I don't like to get after the provinces, but it seems very foolish. I have trouble comprehending how, if money is owed it's not paid. They told Ontario they owed \$70,000, or whatever it was, and there was some dispute about that. But when you talk \$7 million and they made—I don't like the word deal, but they made an arrangement, shall we say, with the Canadian Dairy Commission to take a one per cent reduction in quota which would pick up the overpayment that was owed to the Canadian Dairy Commission, that does disturb me, because I think all provinces should be treated equally and the same as far as penalties and things are concerned.

I know there's a new national supply management committee working on this and trying to work it out, and I realize it's not a simple thing. Maybe Mr. McKinnon would like to explain the dairy situation a little bit, because I'm not sure I fully understand it; I'm not sure many other provinces fully understand it. I know Mr. McKinnon is very knowledgeable on it. I'm just saying to you, Osie, that this is how they are trying to pay off this \$7 million that they owed to the Canadian Dairy Commission.

I would say this: our country changes, our tastes change, and you can get all kinds of figures; the fact remains that we've got those changes and we should live with them and make it work effectively. If we don't, it's going to work to the detriment of national supply management programs which I believe in, am supporting, and have worked towards, in many cases, at federal-provincial conferences.

I think the plan could be changed to reflect that we're not asking in Ontario—and I don't think the milk marketing board is either—to take away everybody's milk supply. But when you've got a producer in a province who says, "I can produce all the milk and I'm not going to get any penalties; I'll get full price," you know there's something wrong with that system.

It's got to be sorted out. I think it can be sorted out and I think it can be worked out. But it does concern me when we have plants running at 50 per cent capacity and they're building new plants in other provinces. In the business world it just doesn't make any common sense.

I guess, Osie, I could go on at great length. I had another note here, if I can make my writing out, that I wanted to talk about. On the imports of specialty cheese, as you know, the federal government has announced an export of Canadian cheddar cheese, one million pounds this year, up to

five million pounds is it, in five years. I think that's what the figure is, somewhere in that neighbourhood. I beg your pardon. Six to seven million.

I don't know what trade-offs have been made, if any, but I do know this, I was worried about what trade-offs may have been made, and I sent a Telex to Ottawa about three weeks ago and I got word back there would be no more than 45 million pounds of specialty cheese allowed into Canada. I say that's still too high because we have the capacity here to produce it in Ontario. We have eight applications in the province of Ontario to produce specialty cheese for specialty markets in this province.

We have not granted them licences up until recently because we said to them, "Where are you going to get your milk from?" I believe we are now in the process of issuing those licences. We're warning them to contact the milk marketing board because they've got problems as they have only a total allocation to go across this province. It's been said in the last two days that there is a need in Canada for five per cent more MSQ industrial milk in this country to meet our requirement. At this point in time, I don't know who can make that decision. I guess whoever he or she may be has to make that decision.

Mr. McNeil: It will be a he.

Hon. W. Newman: I understand that's why the management committee has come to that conclusion. There's a need for another five per cent. Is that a fair statement?

Mr. Krauter: Yes.

Hon. W. Newman: All we're asking for is our fair share. Mr. Choquette was named tonight as being a certain person to Mr. Whelan and to so-and-so and so-and-so. I'm very familiar with what Mr. Villeneuve is talking about. I think the chairman of the milk marketing board is concerned. I should not say he is concerned as I can't speak for him. He knows what's gone on. I believe everybody sitting in this room who has had anything to do with milk knows exactly what's happening. I'm not playing politics when I say that because it's all over now—at least I hope it is.

I'm saying in all sincerity that some adjustments have to be made if we're going to make the system work. I think the committee realizes that. I could talk about a certain speech that the Canadian Dairy Commission chairman made when he knew I was going to be out of the country. You can play with the figures all you want to, but the fact remains that in Ontario the whole system has not moved with the changing times.

We've got to adjust this, and the milk marketing board realizes this. They've gone on public record over it, and I think that is very important.

I've probably missed half of the things I wanted to say because this is my favourite topic and I could go on for hours about it. I think that 45 million pounds of imported cheese could be changed. We could produce at least half of it in the next year. We have producers out there dying to produce the milk. We have plants dying to have the milk and we don't have it. I'm not saying we want it all, but we've got to have some adjustments in the system or we're going to be in deep trouble.

The butter-powder people are in trouble. We have not in the province of Ontario—and I think this is a fair statement—contributed to the surplus butter-powder situation for a long time. Yes, we've sold or some of our processors have at the Canadian Dairy Commission. But they bought it back somewhere later on that year. We even made a proposal about a year ago. We said, "Don't charge us the over-levy, only part of it, and we won't add one pound of butter or powder to your surplus. We'll make arrangements to store it here because it will all be used here in the province of Ontario."

It sounds like I'm being very parochial because I'm talking about Ontario, but I'm saying that when we have plants running at half capacity in Ontario and they're building new plants in other provinces, the whole system is a little bit out of whack. It's got to be adjusted and sorted out. I guess I kind of wandered away a little bit from what Mr. Villeneuve was asking, but certainly the levy was \$11 million. Then it was adjusted down to about \$7 million and then readjusted down to \$4.5 million. Then they further reduced that by taking a one per cent reduction in quota on their total quota allocation to the province of Quebec to pay that money back. I don't know exactly how much was paid back. I do know that way back I made an offer to the Canadian Dairy Commission in a meeting with the former federal minister whom I have a lot of respect for. I said they could come into Ontario any time and go through the milk marketing board and do an audit on every plant and on everything they wanted to audit. I also said they could choose anybody they liked from any other province to go along on this audit. All we wanted was the opportunity to send our man along on an audit in some other provinces. The basic answer we got back, I think, was that they didn't have enough men or time to do it.

Is that a fair statement?

Mr. Villeneuve: That's exactly what happened. We wanted to do an audit of what was happening.

Hon. W. Newman: The milk marketing board in this province has come under a lot of fire and so have I. I know there are problems, but I know they can be resolved if we all decide we can work them out—I'm sure they can be resolved. But it's awfully tough to live in a riding like the one Osie Villeneuve lives in, where they're hauling milk 580 miles a day from another province to keep those plants in operation, and yet the producers in his own riding can't produce the milk those plants want. That's a pretty damn hard thing to explain.

Mr. Villeneuve: Furthermore, I just wanted to add this: From my information there are 85 shippers going to Quebec, and none of them get this kind of statement with money held back. Do you understand? It's very, very hard when they go to visit a brother-in-law and he shows his returns for milk. No such thing is happening with him; he gets paid. It's not kept off. They come to me; I'm their member: "Is your government doing this? Are you going to allow the milk marketing board to do this?" It's hard to tell people just what this problem is with this milk management committee for all of Canada. They don't understand that when one lives according to the rules and regulations and the others interpret it to satisfy their own needs, it is hard to do business in an above-board way. This sounds strange coming from me with my racial background, but I have dealt there for 30 years and I know how they interpret things. I know the difficulties this man and others have in dealing with them because in their minds there's nothing that's not above board. That's business. That's the way they interpret it.

But you can't do that with one group and satisfy the other. This is what I've got to explain to the people. All I can tell you, Mr. Minister, is that I'm glad my tenure of public life is coming to an end, because I'll tell you I find this a little hard to explain.

Mr. McNeil: You'll be here forever.

Mr. Vice-Chairman: I have Mr. Wildman down on my list next.

Mr. Wildman: Thank you, Mr. Chairman. I will be brief because I want to get up to the House to discuss the Line Fences Act. But I'd like to say, before I start, that I found Mr. Villeneuve's presentation very eloquent. I think all of us on the committee would agree he represents his riding and his people very well—even though he did take a couple of shots at me and my party along the way.

Mr. Eaton: None that weren't deserved.

Mr. Wildman: I want to raise one matter which relates in a very indirect way to what was raised by Mr. Villeneuve, and also will be of interest, I'm sure, to Mr. Havrot. I want to talk a little bit about the northern pool, and the fact that over the last couple of years producers in my area, in Algoma, have been very concerned—and they've expressed their feelings to their representative on the milk marketing board—about the fact it appears that large amounts of quota are being sold out of the Algoma area into the New Liskeard area and at very high prices—something like \$62 a pound. There is the feeling there are producers in our area—a lot of young producers—who might like to buy quota, who need quota and who are being penalized. They can't afford to pay that kind of money for quota. As a result, there appears to be a number of producers going out of production in our area while milk is being shipped to Sault Ste. Marie all the way from Timiskaming, a distance of about 400 miles, past these farmers' doors. They're in the same pool. I admit that. It's the same, but the question is, why is it we're allowing quota to be sold at those prices? Quota is going to another area. Producers are going out of production in our area, and yet milk is having to be brought in from the other area to meet the demands of the city and the consumers in our area.

We have a situation where the farmers in our area are very concerned. They went to their representative on the milk marketing board and asked for a freeze on the sale of quota out of Algoma. That, of course, wasn't acceptable. I think they expected that when they went and asked for it. I don't think any of the producers in my area would argue that the producers in Timiskaming don't need quota or that they can't produce. They can produce a lot and well; they're very efficient operations. I don't think they have any argument with that, but they are concerned about the price of quota. I'd just like to know what can be done to try and prevent this, or to lower this high cost.

A lot of the milk producers in my area are concerned. Although we certainly don't have the numbers they have in eastern Ontario, we've had a viable milk-producing industry in our area, and a lot of those people are going out of business. When the older producers want to retire and sell their quota and their herd, that quota is going out of the area. The milk coming into the area is coming from a great distance, even though it's in the same pool. I suppose peo-

ple say distances in the north are not what they are in southern Ontario; we expect to travel long distances. That's true, but I think there is a plea by the milk committee in Algoma, and has been for the last couple of years, for something to be done to try and lower the price quota in our area.

Hon. W. Newman: Could I just respond to that very briefly? I just want to give you the background. In southern Ontario fluid quota is frozen. I believe it's \$16 a pound. Is that not right? Right. This is milk marketing board policy. As far as the industrial milk is concerned, I believe if you want to sell your industrial milk in the southern pool, you must sell half of it to the board and you're allowed to negotiate the other half.

Mr. Wildman: That's right.

Hon. W. Newman: In northern Ontario, they have a little different policy. The board is discussing policy all the time and it's not easy for the board to deal with all these things. The quota does float freely in the northern pool.

Mr. Wildman: That's right.

Hon. W. Newman: You say it is \$62 a pound. I don't disbelieve you, because I don't know the exact figure—

Mr. Wildman: Well, that was last year.

Hon. W. Newman: —it's selling for myself. The chairman of the milk marketing board may know, but I think I'd just like to finish my comments first.

The transfer of quota in the north is under study by the Ontario Milk Marketing Board. I was going to say we're bed-mates; that's a bad thing to say, but the chairman of the milk marketing board and I do discuss these things from time to time. They are discussing it and we will discuss it with him.

The reason the board decided they would do this in the north is because quota is selling for a price quite a bit higher than it is down here, where it is controlled. The total fluid sales are controlled in the south and half of the market share quota is controlled in the south by the milk marketing board. Of course, I'm quite prepared to discuss your concerns with the board, because I think it's wide open in the north and you're telling me it shouldn't be.

Mr. Eaton: They can't move out of the north, to the south.

Hon. W. Newman: No, no; it's got to stay in the north.

Mr. Wildman: You can understand, Mr. Minister, that really I'm of two minds. You can't really blame the producer who is going

to retire for wanting to get the best price he can get for his quota. We're talking about what is supposed to be supply management. I would debate with you on a philosophical level as to whether or not that is true free enterprise.

Mr. Laughren: As your Premier (Mr. Davis) saw.

Mr. Wildman: Anyway, what I am concerned about really, and what the producer is concerned about, is the fact they want the industry to continue in our area.

Hon. W. Newman: Keeping in mind that any quota that is in the northern pool must stay in the northern pool.

Mr. Wildman: No, no, I understand that; it's going to other producers in the northern pool. The fact is, though, a lot of them are a helluva long way away. Some of the producers in our area talked about maybe trying to have the same kind of thing they have in Thunder Bay, that is a separate pool, a different operation. I don't know whether that's a viable suggestion. Really, the problem is they are shipping milk a long way. It doesn't just hurt the dairy industry, it hurts the feed dealers, it hurts the implement dealers, and so on, if farmers go out of business in our area and the milk is being shipped 400 miles to Sault Ste. Marie. So, if possible, I would like you to look at that. I am sorry I have to leave the committee because I want to speak in the House, but I am glad you gave me the opportunity to raise it; it's a matter of very serious concern.

Hon. W. Newman: May I point out to you that I would be glad to talk to the milk marketing board, about this policy. They don't have an easy job because they are dealing with the total province, and this is their policy in our time.

Mr. Wildman: I could be accused of being parochial here, but I am trying to represent the people in my area.

Hon. W. Newman: By the same token, if I were a farmer in that area and I were as old as I am and had a chance to sell my quota, I'd like to get as much as I could for it. In the southern pool, which is a big pool, there are controls; in the north there are not. As you know there is a new plant opening up in a certain area—Mr. Havrot knows about that—to deal with the milk used for cheese in the industrial area.

Mr. Wildman: I am not criticizing you for that.

Hon. W. Newman: I think it's a matter you should pursue with the board but I will be glad to talk to the board about it.

Mr. Wildman: Thank you, Mr. Chairman.

Mr. Vice-Chairman: I have Messrs. Gaunt, McGuigan, Miller and Johnson down on my list. Just one point; do you want to continue? We may be called for a vote at some time, I don't know.

Mr. Gaunt: Mr. Chairman, I won't be long. I just have one matter.

Mr. Vice-Chairman: I am just saying we have Mr. McKinnon here tonight, and if you want to hear from him, maybe we should—

Mr. Gaunt: I would certainly agree to hear from my constituent, Mr. McKinnon is a constituent of mine.

Mr. Vice-Chairman: Maybe you'd like to pass and give him your turn now.

Mr. Gaunt: One of my higher profile constituents, I might add.

Mr. Vice-Chairman: Did you want to pass and give him your turn now that you have introduced him?

Mr. Gaunt: Maybe he can respond to my concern.

Mr. McNeil: Why don't you have him replace you, Murray?

Mr. Gaunt: We were going to talk about that actually.

Hon. W. Newman: Mr. Chairman, I don't want to be rude but could I—I don't want to call it a point of order—but I would just like to say this. In fairness to Mr. McKinnon, who has a very busy schedule, I hope you'll find time for him tonight if he'd like to say a few words. I notice he has taken quite a few notes and I am sure he would like to say a few words tonight. I would hope we wouldn't have to bring him back next Tuesday because he does have a busy schedule; but that's entirely up to the committee.

Mr. Vice-Chairman: Mr. Gaunt said he is going to be brief, so let's begin and then we'll get to Mr. McKinnon.

Mr. Gaunt: Very brief, because I want to hear Mr. McKinnon.

As a matter of fact, I think we can get this particular point out of the way very quickly. It's a matter that was raised with me over the weekend, by a dairy farmer who had \$128 deducted from his April cheque because of a bad bacterial count in the months of February and March. He has disputed the count. He had the milk checked in April and I think it was 25,000 on the one case and 32,000 on the other; and the last bacterial count he had was 15,000. Yet in the months of February and March he was up around 100,000.

9:45]

His point was that it wasn't only him, this was being experienced by a lot of farmers at that particular time of the year. He couldn't understand why because he had the field man go over the system and review his cleaning procedures, and so on. He said: "I am not doing anything any different now than I was then, and yet my count is down to 15,000." The question he posed to me was how can dairy farmers be absolutely assured of the accuracy of those tests; and where does the money go when there is a deduction on the milk cheque because of a high bacterial count? Those are the questions I pose. Perhaps Mr. McKinnon can get in on the discussion.

I just want to say, in support of my friend and colleague Mr. Villeneuve, I do appreciate what he is saying and I congratulate him for raising the matter again in committee. I know his views in this respect are sincerely and deeply held. I think the system is too inflexible and I don't think it's meeting the needs of either the producers or the potential consumers, either in this province or in the country, or indeed in terms of the export market. We have to review it and take another look at it. The problems we are encountering with the milk system at the moment tend to discredit the entire supply management system. I don't like to see that and the sooner we correct it and get it straightened around the better. That's all I have to say, Mr. Chairman. I told you I'd be brief.

Mr. Vice-Chairman: I'll turn it over to the minister because I think part of your question is to him.

Hon. W. Newman: I appreciate your latter remark and I think it can be sorted out. Unfortunately, it is a complicated process. If we can sort it out to everybody's mutual satisfaction, it will not only help the milk supply management program, but all the marketing board situations.

Coming back to the fellow who had a bad bacterial count, he has a right to ask the quality control branch to review the matter. That is under Mr. Doug Williams, I believe. Is that correct? Then if he is still not satisfied, he has a right to appeal it with the new appeal tribunal headed by Dr. Ken McEwen. He has the right to do that as far as his bacterial count is concerned.

Mr. Gaunt: Can I initiate that for him?

Hon. W. Newman: Just tell him to do it. Just tell him to write to the milk quality branch and ask them to review it. If they turn him down, then he's got the right to the appeal tribunal. The appeal tribunal has been

moving around the province to some degree hearing appeals; meeting with the various groups around the province. There is some concern about the costs of moving around the province, but I have personally asked the tribunal if they would move around to some degree in the province to hear some of the cases. I realize it creates problems and we will be having discussions with the milk marketing board and others regarding those matters.

Farmers have the right to speak to the quality control branch to ask for an appeal. They are entitled to appeal to the appeal tribunal, which is an independent tribunal, regarding bacterial count. We do all the testing in our central laboratory on bacterial counts and there is an appeal process on that. If there is a bad count, they have recourse to having people look at it and they can reverse decisions that have been made.

If one has a bad count there is a penalty clause in our regulations. There is a penalty if one produces high bacterial milk. Certain standards have to be set for human consumption and for milk quality. But there is an appeal process if people feel they have been unjustly dealt with.

Mr. Gaunt: Can I give the name and the licence number to Mr. Williams?

Hon. W. Newman: You could give him the name, but in fairness all the individual owner has to do is write two lines to Mr. Doug Williams and say he feels he has been unfairly dealt with on his bacterial count in such and such a month. He could ask for a review. All it takes is a three-line letter to Mr. Williams. If he is still not satisfied then he has the right to appeal to the appeal tribunal.

He can either come himself or just send a letter, whichever way he wants to do it. The whole idea when we passed that legislation setting up the new appeal tribunal was to make it as simple as possible. Again the lawyers are going to get mad at me, but you know there are no lawyers in that committee so that it makes it very—sorry, fellows; some of them get mad and some of them smile. Frank, I don't mean it personally, really; don't take notice.

Mr. Gaunt: Frank was one of the ones who wasn't smiling.

Hon. W. Newman: Yes, I saw that.

The whole idea was to make it very practical for the individual producer to come forward, feeling that he doesn't need a lawyer or legal representation, unless he specifically wants it, to present his case. I think we have a very practical appeal tribunal.

Mr. Gaunt: Okay, very good; thank you.

Mr. J. Johnson: Mr. Vice-Chairman, could I ask a supplementary on Mr. Gaunt's bacterial count? It'll save time.

Mr. Vice-Chairman: Go ahead, it's your committee, you are a member of it.

Mr. J. Johnson: I have a constituent who has requested permission to have his milk tested at a public lab. He feels that in some instances testing doesn't meet what he would consider desired quality. He feels that he would like, for his own personal information, just to doublecheck it. In these instances it's a Palmerston laboratory and he simply requested permission to take his milk over and have it tested at the lab. Apparently they did it on the first occasion. When it was brought to the attention of the powers-that-be, then he was denied this right in the future. He even agreed to pay whatever an appropriate cost would be. He simply wanted to doublecheck to see if the test followed through. Is there something wrong with this?

Hon. W. Newman: The only thing is that where we have had some problems is where they have taken milk to public labs. I must say there are very stringent controls on how those tests are run. I remember two instances where they were taken to the public labs and they cleared. But upon examination—now, I could be corrected on this; I am not familiar on the details and I would have to ask either John Krauter, or Joe or whoever, to comment on this. By going to the public labs, they don't have the—I don't want to say it; but expertise, perhaps, to deal with it in detail.

These labs are specifically set up, they are very expensive labs. I don't know who we could get to comment on this. Joe Meiser would comment on this, because we have had a couple of problems over going to public labs. Not that we object to public labs, but there were a couple of problems. I would be remiss to say that I can recall the details and maybe Joe would like to comment on it.

Dr. Meiser: We've had a request to check with the Ministry of Health, and the Ministry of Health does not have a system of billing producers for private services. They just will not do it. I think I have communicated this in writing to the member of Parliament who inquired about it, also the producer knows this.

Hon. W. Newman: But I think he is saying that the producer himself is prepared to pay for the test.

Mr. J. Johnson: Yes.

Dr. Meiser: But if he takes it to the public health lab they will not do it because they

do not have a method of billing the producer. This is in writing from the Ministry of Health.

Mr. J. Johnson: Then what you are stating is it's simply a matter that they haven't resolved the problem of paying for it.

Dr. Meiser: That is right, according to the Ministry of Health.

Mr. J. Johnson: But if they can resolve the financial problem would you then consider the test?

Dr. Meiser: No, we would not consider that as an official test.

Mr. J. Johnson: So it doesn't make a damn bit of difference about the financial part.

Dr. Meiser: It would be for his information only.

Hon. W. Newman: No, I'd like to pursue this with Jack, because I am not that familiar with it myself. Certainly as far as I am concerned if he wants to take it to a public lab, certainly some way could be worked out to pay for it. I would certainly be glad to talk to the Minister of Health and pursue that particular matter.

But there are further complications besides that. I just can't recall exactly what they are. We did have a case, and I am trying to remember. It's about two years ago and it's hard to remember the specifics of the case, where somebody did go to a public lab. There are certain things that they do and don't do. These do not coincide with the kind of work we are doing. It sounds as though I am evading the question, but I am really not. I just can't give you a proper answer, but we will look into the situation for you.

Mr. J. Johnson: I'll leave it at this point: cannot accept an answer that it's a matter of financial difficulties, that can be arranged; and if it can't there is something damned wrong. If there is another problem would you look at it and tell me what it is?

Hon. W. Newman: Yes, there is; and I can't recall the details. Do you remember, Dr. Meiser, any of the circumstances of the particular tests we have? There was a problem, I remember two years ago. I can't give you the detail.

Dr. Meiser: I could add one thing. To be an official test it must be taken by a licensed sampler and grader and not by the producer, but be an official test.

Mr. J. Johnson: Then could he take two or three samples and give one to the producer that he could deliver to a public lab.

Dr. Meiser: No. It must be taken by the licensed sampler and grader, transported by him directly to the public health laboratory.

Mr. J. Johnson: And what if he takes it late on a Friday?

Dr. Meiser: Takes it in on Friday?

Mr. J. Johnson: Yes.

Dr. Meiser: Normally our sampling procedures are not carried out on Fridays.

Mr. J. Johnson: Well I have a constituent who happens to feel that he is slated for Fridays.

Dr. Meiser: No.

Hon. W. Newman: Jack, may I say this to you, because I can't answer your question: We'd be glad to pursue it for you. What you're saying is that if our sampler, or the truck driver who picks it up, took that to a public lab and the farmer was prepared to pay for it, would we accept it, providing the public laboratory he takes it to is properly equipped to do it; I'd be glad to look into that. I can't really answer your question.

Mr. Vice-Chairman: Mr. McGuigan was my next speaker, but he agreed that Mr. McKinnon should have this space. Mr. McKinnon was obviously making some notes when the OMMB came up. Perhaps you'd like a chance to address the resources development committee at this time, Mr. McKinnon, and we'd be pleased to have you do so. Mr. McKinnon is chairman of the Ontario Milk Marketing Board.

Mr. McKinnon: Thank you very much, Mr. Chairman. I really didn't come here with the idea of making a presentation. I thought if there were any questions I could answer I would be pleased to do that. However, if you have a few minutes, I would be glad to take a very few minutes. First of all, I want to say that for my own benefit, and everybody else's, that it's very difficult to generalize about the dairy industry. We are in a highly controlled industry, that is highly regulated, operating under a quota system. It's very difficult to generalize, I want to make that point.

If I may, I'd just like to address a few points that have been made and a few questions that have been asked. Then I would like to make a few comments in general along the lines that the minister and others have talked about.

First of all, maybe I could just clear up a couple of short points. Mr. Wildman—I guess he had to leave—but I just wanted to say in regard to the point he raised that we are addressing the problem he brought to the minister's attention. We had a delegation from that area yesterday at our board meeting and we are addressing it; we'll be glad to talk to the ministry and the milk commission about it. I don't know what we

can do about it. It is more a matter, as I interpret it, that they would like, in that area where there are only 47 producers, to have the opportunity to purchase the quota before it leaves that area. That's the biggest problem they see. It's being bought out of the area, by people a considerable distance away as was pointed out. That creates additional transportation costs. That is worrying those people in that area as to the services for the rest of the dairy industry in other agricultural areas there—veterinary services, farm machinery, feed and that type of thing—if the numbers get too small. We are addressing that.

I could follow with a bit on Mr. Gaunt's question. You asked, Murray, if I may call you that, where the money goes. The money actually goes into the Ontario Milk Marketing Board's general reserves and is used. It's not designated for any particular project. At first, we thought we would use it in research on quality matters, because it's a quality penalty. However, we found out we were going to have so many requests for use of that money from everybody who could think of a reason to use it, we didn't specify it for that. We do, however, contribute considerable amounts of money through the university and other places for research into milk marketing and quality in other areas in agriculture, and that's why it goes into our reserves.

I wanted to point out one additional thing, that there is no penalty on bacteria on the first test. I think I'm correct on that, John or Joe. If the man to whom you refer had \$128 deducted it wasn't his first test, unless it was antibiotic. I think the rest of your question was answered.

[10:00]

I sympathize very much with Mr. Villeneuve's and Mr. Newman's comments as well; and I too would like to pay tribute to Mr. Villeneuve. I've known him for quite some time. I think he is a tremendous worker for the people in his area; and certainly the dairy industry is very important in that part of the province, probably more important than any other single agricultural commodity. Therefore I share and understand his concerns.

I just want to say, about the comments in relation to farm numbers that were used, it is very difficult to generalize. I accept clearly that Mr. Villeneuve's figures were quoted, as he pointed out, from a booklet and they were accurate as they were presented. The problem is how best to interpret them. I think Mr. Villeneuve pointed out they were figures on commercial dairy farmers.

I just want to say in relation to that whole area; that what has actually happened between Ontario and Quebec, if you're comparing farm numbers, has to do with adjustment within the dairy industry, and what many people would call an improvement in efficiency that is necessary, we believe, in agriculture.

In fact, what has really happened in Quebec is they have substantially fewer producers in total than they had in 1966. Mr. Villeneuve understands that. The reason the figures look like they do when you use commercial farms is they had many thousands—I would say about 40,000. I can give you the actual figures if you want them.

In 1966 they had, in Quebec, 62,000 producers reporting cows. At the same time, Mr. Villeneuve's figures were absolutely correct for those farms that grossed over \$5,000. That may be very hard to understand, but in fact that was true. What has actually happened is those total numbers have now gone down to about 27,000. Of course that shows as an increase in commercial farms. It does not necessarily follow they have increased their dairy farms or they have increased their milk production as a result of that. They have had a tremendous adjustment. In 1966—I don't have actual figures—but I believe their average herd size was around 11 or 12 cows. Now it's probably a little higher than ours in the province of Ontario.

Mr. Eaton: Can you give us the production figures for comparable periods, for five year or ten years?

Mr. McKinnon: The figures Mr. Villeneuve are relatively correct.

Mr. Eaton: Production; do you have total production figures for the province of Quebec?

Mr. McKinnon: I'm sorry, I don't have total production, total to include fluid.

Mr. G. I. Miller: I think you'd have to have Ontario's production too.

Mr. Villeneuve: I think I can give you that roughly. This is my catechism I carry around. I think it gives all the provinces here. You can keep on talking, Mr. McKinnon, and I may take a little while to find it here.

Yes; total milk production, Canada, by provinces, 1972-77. Now I suppose this would be millions of pounds.

In Quebec, in 1972, it was 6,613 million pounds. In 1977 it's 6,730 million pounds. Ontario in 1972, was 6,379 million pounds. In 1977 it was 6,000 million pounds. That would lead me to believe we, in this province are getting our house in order according to good management to meet our quota, but I'm a little dubious of what's happening in

my neighbour's area. I'm not accusing anybody but I'm making it as plain as I possibly can; I'm not a magician. As I say, it only takes five cows today to qualify you as a commercial operator, if you've got cows, according to the 11,000 pounds average in Ontario. Isn't that right, Mr. McKinnon?

Mr. McKinnon: Correct.

Mr. Villeneuve: I can quote figures. I realize what you're telling me is 100 per cent of the truth, because I know back in the Laurentians, back of the Ottawa River—I'm talking about 30 years ago—it was a very common thing to see five cows of cross-breed, and perhaps sheep and pigs. That's the way they got along. It didn't cost them much to live. But today this is why we're having grief and you're having grief.

To a lot of these younger farmers the 200,000 pounds of quota looked all right, but not when gasoline has soared to \$1 per gallon, and fuel oil and machinery prices have soared. When I first came here, if you had \$5,000 in 1948 and a Fordson tractor, which you could buy for \$950, it didn't have all the extras that it would have today, and you could buy a mower, and at that time we were still using horse-drawn binders, or with tractors, for \$5,000 a farmer on 150 acres of land was pretty well equipped. Today that could not make a good down payment on a tractor. This is the problem. They've got to row, and they're in a squeeze. They're in a bind. It's rather hard to explain, as I say, and, Mr. Minister, you've expressed it so perfectly, when you see milk going by and where it's coming from.

Mr. Vice-Chairman: Osie, I don't want to cut you off, but—

Mr. Villeneuve: Yes, you're right.

Mr. Vice-Chairman: You supplied some figures there. You're kind of philosophizing a little bit.

Mr. Eaton: Mr. Chairman, I would like to follow up on that question. I have an indication from those figures that there's been an increase in production in Quebec and a decrease in Ontario. What has been the situation as far as the share of the national market in that same period of time. Has Quebec's been increased or reduced? Has Ontario's been increased or reduced? I'd like to see that on the record.

Mr. McKinnon: First of all, Mr. Chairman, the figures that were quoted were total milk production and I'm not sure that we quite agree with those. Our record would show that our total production, including fluid milk, has increased in that same period of time. However, that is what's recorded in

those Statistics Canada figures, and I can't argue with them from that point of view.

Mr. Gaunt: On that point, what are your figures? The Statistics Canada figures show 600 million pounds.

Mr. Villeneuve: Table eight, and that's from the same source, Dairy Statistics Canada.

Mr. Gaunt: Six hundred million pounds in 1977. What do your figures show?

Mr. McKinnon: Six point seven billion, which was up about 100 million pounds in Quebec from 1972 to 1977, and down about 350 million in Ontario. This is total milk production by province. They gather those statistics slightly differently than ours, and our records show precisely the milk that was bought and sold in the province of Ontario by the board.

Mr. Eaton: Have you got 1972 to 1977 there?

Mr. McKinnon: I'm sorry, I don't have that total figure. All I can tell you is that our total milk production increased 3.7 per cent between 1974 and 1978. Those are different years, and if you go back to 1971 to 1978, by our figures, we increased 4.1 per cent in total. I want to make sure you understand that that's total, because we are having increases in fluid sales, or class 1 sales, as we call them.

To come back to your question, our share of the national industrial market is smaller. I wanted to address that in regard to this whole question about levies and what led up to that. Mr. Villeneuve's comments I'll not argue with at all. He's perfectly correct in the figures he gave in terms of reduction in shares of market between the time the plan became effective in 1977. However, I do want to point out that the most of that reduction, in terms of shares of the national market, took place in 1974 and 1975 through what we call interprovincial adjustment when our production in the province of Ontario was too low.

I submit that was so because our prices were terribly low at that point in time and we could not get producers to produce milk. As a result of that we lost some quota. No question about it. We gained a little back in 1975-76 after the IMPIP loan came in and we were able to get our production up; we gained a little bit back. But in the last three years there's been no interprovincial adjustment. Other than what happened in 1974-75, the actual shares of the national market have not changed and we have maintained our share from that point on. But we are down from 33.9 per cent of the total national

share that we started out with to 31.7 today. That went to Quebec, and in addition, Quebec gained some quota from other provinces. Their share rose from 44.8 at the same period of time, at the beginning of 1972, to the point at which they now have 48.1 per cent of the national share.

Mr. Villeneuve: We have over two million people more to feed here.

Mr. McKinnon: Mr. Chairman, I don't know how you are for time and I don't want to be taking too long. Can I take 10 minutes?

Mr. Villeneuve: That was very interesting, go ahead.

Mr. McKinnon: I'd just like to finish up on the point I was trying to make earlier. We are concerned, of course, about producer numbers. I suggest we should make sure we analyse them properly. But we are also concerned about improvement in the structure of the industry, as I think has been pointed out here. The size of farms we had 10 or 15 years ago aren't very viable any more, there has to be a change in size. Our total market is not growing, so therefore that means fewer producers of slightly larger size.

We get quite extreme pressures from some people in the industry and in society about the need to adjust our systems, to adapt more to technology and to improve our efficiency. I just recently replied to an editorial in the St. Catharines Standard that criticized us for having supply management to start with, and for having quotas. It said: "Let the quotas go; let the producers produce"; it said we were too concerned about the status quo.

Perhaps I could read a short piece from what I said to them in response:

"With regard to your point that too many boards seem to be preoccupied with protecting the status quo, it should be noted that contrary to your belief, the efficiency of milk production in Ontario under the quota system has risen dramatically in recent years. Between 1971 and 1978 the number of dairy farms has declined from 19,402 to 12,480, or by 35.7 per cent; and the number of milk cows from 750,000 to 618,000, or by 18.2 per cent; while the total amount of milk produced has risen from 4.9 billion to 5.1 billion pounds, or by 4.1 per cent. These figures indicate that cow productivity over the eight-year period has increased by 27 per cent; and farm productivity has increased by 62 per cent over the same period." And I asked the question: "What other business can match these kinds of gains in productivity?"

I'm just trying to show you there is another side to that we get criticized for.

I would like to talk briefly about this national supply management system, more specifically about the levy question. I know it's very difficult to understand, and I don't want to bore you people, but I would like to go back to this question of the over-quota levies and the situation we find ourselves in with some part of that not being paid by the province of Quebec.

First of all, Mr. Minister, I don't want to be trying to correct your figures either, but I think the point I'd like to make is that first of all we have over-quota levy, we have in-quota levy, and we have sleeve levy—very complicated. Ontario paid about \$7 million in over-quota levy last year; Quebec paid about \$11 million—I don't have the actual figure here. That does not involve the \$7 million we're talking about or that's in question; it's in addition to that \$11 million. In other words, Quebec owed about \$18 million, \$7 million of which was in question.

That \$7 million is what we call sleeve levy. We have in our system about five per cent more quota than we actually need if every producer across the country produced precisely what we asked him to produce. We call that a sleeve. Therefore if there's production in that sleeve, we don't know during the year whether or not it's needed until the end of the year. It's looked at and adjusted; if some producers in this province under-produce their quota—95 per cent of their quota, I should say—then we can use that underproduction to credit producers who produce over 95 per cent, and we're doing that.

The same thing applies in other provinces. If another province as a whole under-utilizes their share of the national quota and we produce slightly above our share but within our quota, we can utilize that. That's the process of the working of the sleeve.

[10:15]

What happens, of course, is that if there is production in that sleeve that at the end of the year is not needed, somebody has to pay levies on it because it becomes a product, nationally, that has to be exported.

We received what I would call severe criticism from Quebec and from most of the other provinces two years ago because of our quota systems in Ontario; they were claiming they were too flexible, that we had more ability to move quota around and adjust the quota to utilize all our production better than other provinces. We came under very severe criticism for that. What we sim-

ply said was: "Okay, we don't believe we are doing that; we believe that our production will be very close to target, that's what we are aiming for and we will come out very close to it. To prove that, we will say to the rest of the country that as a province, our producers will take the responsibility at the end of the year to pay that levy."

I have to say, I think, with some confidence, that that put Quebec on the spot; they didn't have much alternative but to say they would accept that. So, that is what we did. At the end of the year our production was very close, as I think Mr. Villeneuve, or someone said. We owed about \$73,000. Quebec owed close to \$7 million, I think the figure is \$6.87 million.

We had not, of course, made a clear decision of how that money would be paid, and at the management committee—and I accept the fact that the management committee made the decision as to how that would be paid originally—we decided there could be three ways of making up that deficit. One, a lump sum payment; two, an increased levy in the following year to make it up on a provincial basis; or three a reduction in quota in that province for one year. That may not sound like a reasonable way to do it, but in fact what that meant was that that province would have the inability, I guess, to produce as much milk as they had before and get full payment for it, therefore they would be paying a penalty and would be making compensation. In other words, the other provinces would be able to utilize more quota in the next year. That was the theory behind it. We agreed on those three methods.

In the province of Ontario we took the opportunity to use it through the quota reduction system. Ours was so small that you couldn't measure it. I think it's 0.008 of one per cent of our quota, and we couldn't have used more quota anyway, so we took that opportunity. Quebec, likewise, said they wanted to do some of that as well.

But as was pointed out by Mr. Newman, first of all there was unpaid subsidy in both Ontario and Quebec at the end of last year. I don't have the actual figures here for Ontario, but I believe it was about \$500,000, and in Quebec it was \$861,000. That was the result of year-end adjustments that hadn't been paid, and it's a normal thing. We said we wanted the subsidy paid in Ontario and they agreed to pay it. We also said that if Quebec wanted to hold back that \$861,000 as part payment of this \$6.8 million, we couldn't object to that, although it was not one of the ways that we had agreed to

earlier. So they did that. Quebec held back \$861,000.

The question of the \$1.4 million that was referred to is rather a long story; I won't dwell on it except to say that I think Mr. Villeneuve alluded to it as well. The collection of levies in the provinces is handled differently in different provinces. Some provinces collect on the basis of the butter fat shipped; we collect on the basis of milk adjusted to butter fat, and that makes a difference. It was clearly our understanding in the plan over all the years that it has operated that the provinces would have the opportunity to use whichever system they wanted, and that in fact took place.

Some provinces collect on butter fat, some on milk and some have changed. Quebec always collected on butter fat. They brought forward the argument that they did not understand and did not think they had the opportunity to change to milk, and therefore, they paid more dollars because they collected on butter fat. I am not supporting that argument; we disagree with it. However, over the most recent three years the excess that they felt they paid was \$1.459 million and they claimed they should get credit for that in this \$6.8 million.

We disagreed very strongly with that. We felt that was not fair game, if I could use that word. However, the Canadian Dairy Commission, against the decision of the Canadian Milk Supply Management Committee, decided that was a proper way to do it and that they would cover it. That decision was made by the Canadian Dairy Commission against our wishes, and covered by the federal Treasury. When you credit them with that, it left \$4.559 million. They reduced the quota to cover that, which was within the terms of the agreement we had made. So I can't say, gentlemen, that Quebec—other than the \$1.4 million—did not meet what had been agreed to. Whether or not the agreement was correct, I guess stands to be criticized, if you wish. But we certainly did not and do not agree with the \$1.4 million.

Mr. Eaton: Maybe the supply management committee didn't agree with that either.

Mr. McKinnon: No, there was no agreement in that.

Mr. Eaton: It's strictly the milk commission's decision.

Mr. McKinnon: The Canadian Dairy Commission made that decision over and above the guidance of the Canadian Milk Supply Management Committee.

Mr. Villeneuve: Which pretty well bears out the statement I made, that the twisted

Liberal view of national unity is to discriminate against Ontario producers and processors in favour of Quebecois.

Interjections.

Mr. Villeneuve: I am not blasting him. But I said his statement bears out my statement, and I accept it.

Mr. McKinnon: I will say, Mr. Villeneuve, that we have criticized Mr. Choquette very strongly over various periods of time. On the other hand, I have to give him some credit; he is a tremendous digger, and I personally believe that he has been able to dig some dollars out of the federal Treasury, which we have had some advantage of, that might not have happened had he not been there.

Mr. Gaunt: Actually, he is going to be removed from his job and become a Liberal organizer in Ontario.

Mr. Eaton: Yes, that would be great.

Mr. McNeil: I hope that's on the record.

Mr. Villeneuve: I told you he was better liked in Quebec than he was in Ontario.

Mr. McNeil: How lucky can we get?

Mr. Vice-Chairman: Do any members or the minister have any questions for Mr. McKinnon?

Hon. W. Newman: Just so that I have it clear in my own mind regarding the \$4,559,000 and reducing the quota by one per cent in the province of Quebec: If there is a shortfall at the end of the dairy year, which is at the end of July, Canada-wide, will Quebec get the credit for that one per cent reduction and not have to pay? Is it possible for them to get credit for that one per cent if we are short of milk supply on a national basis?

Mr. McKinnon: That's theoretically possible, Mr. Newman. If, in fact, after the rest of the provinces had shown that they could not utilize all the quotas available and Quebec had the milk, they'd be able to use it, and, in fact, then the \$4.5 million would not be paid either.

Hon. W. Newman: That's right. So they would get credit for Alberta or New Brunswick, what they don't use towards—

Mr. McKinnon: We, or any other province, would have the same opportunity.

Hon. W. Newman: Yes, that's right.

Mr. McKinnon: You are correct.

Hon. W. Newman: On an equal basis, or on a percentage basis as the allocation went out?

Mr. McKinnon: A percentage of the allocation. In other words, they just increase your utilization within your share of the quota

until they have enough milk to cover it all or they have used all your utilization in the province and then it goes on to the next province.

Hon. W. Newman: So, if there is so much short they get 48 per cent approximately of any credits that were coming.

Mr. McKinnon: That's correct.

Mr. G. I. Miller: I want to ask one question. How much is moving back and forth across the border? There were some accusations that it's coming from Quebec into Ontario. How much milk is coming in and going both ways?

Mr. McKinnon: We do not have a record of that. I do believe the milk commission has. That is not sold or handled through the board.

Mr. Villeneuve: In fairness, I would think on the year-round basis perhaps more Ontario milk goes into Quebec. I made it very clear that there are farmers in my area who send two tons of milk a day to the city of Montreal. They are the best farmers. That's been established for 65 years—it wasn't done yesterday—and they've kept raising their quota.

Hon. W. Newman: I have some figures here, they are the figures of industrial milk only coming into Ontario from Quebec. Is that correct?

Dr. Meiser: That's correct.

Hon. W. Newman: So 79 million pounds came in in 1978.

Mr. G. I. Miller: How much went out?

Hon. W. Newman. I don't have those figures here.

Dr. Meiser: There would have been some.

Hon. W. Newman: Yes, there would have been some fluid, but we are talking about industrial milk. The only industrial—

Mr. G. I. Miller: I am just talking about milk, period.

Hon. W. Newman: There is a big difference in the two different kinds of milk. There is a fluid market for some producer needs in Ontario that goes to the Montreal market.

Mr. Villeneuve: But they are registered a Quebec shippers.

Hon. W. Newman: Oh, yes, as Quebec shippers. There is also some industrial milk in northern Ontario that is going now to the province of Quebec, and I understand that certain cheese plant, which I saw just the other day, bought out by a certain company will be utilizing—I think that is the policy of the board—the industrial milk to make cheese in northern Ontario.

Mr. G. I. Miller: So from Ontario milk, going from Ontario and in reverse, we have a plus out of it.

Hon. W. Newman: Yes, but you have got to remember this, there is a difference between industrial milk, which is a national supply management product, and fluid milk, which is only a provincial product.

Mr. G. I. Miller: Yes, I understand that.

Hon. W. Newman: Yes, as long as you understand it.

Mr. G. I. Miller: But it is milk and I think fluid milk is worth more than industrial milk, really; maybe there is not that much difference at this present time.

One question I would like to ask before it becomes 10:30 is what is being done for supplying these cheese factories? Is there going to be a larger supply made available, as it possible, and what remedy are you making in that regard, or isn't that your problem, or is it the minister's problem?

Mr. McKinnon: I think it's a problem for all of us, if I may say it that way, and I think we are trying to address it. We are currently involved in discussions in which the ministry is involved. It is our responsibility to market the milk, I accept that, but to make a change from what we have been doing for the last eight years to another system, which would reallocate the existing supplies among plants in Ontario, the board helps we would be taking arbitrary decisions that would not likely be acceptable to somebody else.

Therefore we have been trying, and I think to some extent have got the Ontario Dairy Council to agree that we do need to make some changes. The ministry is involved in discussions now. The board is going to propose some changes in this system in the very near future, and whether or not we can get acceptance of that across the province from processors and with government support remains to be seen, but we are very active at it and I would say that within the next three months I would hope we have something to look at and change our system within Ontario.

Hon. W. Newman: Is it fair to say that if we had a little more MSQ in Ontario it could make your job a lot easier?

Mr. McKinnon: Yes. Could I take one minute and a half to address that national problem, as you alluded to it?

Hon. W. Newman: Yes.

Mr. McKinnon: Certainly, if we could get a larger share of the national market it would

make our job easier, there is no question about that. I believe I could say with some confidence that I think we will succeed, at least in part of that, and I think I would say that probably in some other areas we will have considerably more difficulty and it might have to be dealt with at the ministerial level, and that is not intending to put pressure on you.

I do believe we will be able to negotiate a system whereby export markets that it is felt will return adequate returns to producers and can be properly controlled and accounted for, will be accepted in the system and would be credited to the provinces from which that export comes. I believe we can achieve that in the very near future.

The other major point that we are trying to get adopted in the plan is to allow what we call market criteria some credit in adjusting quotas between provinces. That is a much more difficult job because everybody wants more quota, including the province of Quebec. Whether or not it's a reasonable thing or not they want it and they are not prepared to give any, and that is a very tough struggle.

We are trying to get recognition in the basic plan that market criteria should be used. If we can succeed to that extent at the level of negotiations that I am involved in, I feel I would be satisfied, or our board would be satisfied. I think it would leave the mechanics of how that would be worked out to some further negotiations, which I do believe would likely have to include other areas that the minister would want to be involved in.

Mr. G. I. Miller: Will it be a federal decision or is this a provincial one?

Mr. McKinnon: We are working at it at the level of the Canadian Milk Supply Management Committee, which is made up, of course, of federal and provincial people, producers and government.

Mr. Riddell: We'll see what a western agriculture minister will do.

Mr. G. I. Miller: They won't have the excuse to blame it on Whelan anyway.

Mr. Riddell: Let them produce all the milk they want.

Mr. Vice-Chairman: I think the time for tonight has expired. On behalf of the committee, I'd like to thank Mr. McKinnon for coming out and being part of our discussion.

Mr. McKinnon: Might I just say thank you.

Mr. Vice-Chairman: It has been very enlightening. The fact that you happen to live in a certain riding, we won't hold against you this evening.

Mr. McKinnon: No.

Mr. Gaunt: We are very proud of him in Huron-Bruce. He does a great job for dairy farmers in Ontario.

Mr. McNeil: We have some pretty good members up there.

Mr. Riddell: We haven't been able to ascertain what his politics are.

Mr. Gaunt: I know, but I am not telling.

Mr. Vice-Chairman: We'll adjourn this committee until Tuesday, May 29, at 8 p.m.

The committee adjourned at 10:32 p.m.

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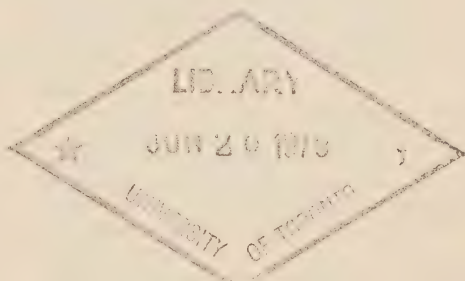
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Legislature of Ontario Debates

Official Report (Hansard) Daily Edition

Resources Development Committee

Estimates, Ministry of Agriculture and Food



Third Session, 31st Parliament

Tuesday, May 29, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, MAY 29, 1979

The committee met at 8:08 p.m.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD

(continued)

Mr. Chairman: I will call the meeting to order. The following is a directive I have received from the Clerk of the House:

"This is to inform you that the standing resources development committee, of which you are a member, will meet on Tuesday, May 29, at 8 p.m. in committee room No. 2 to consider the estimates of the Ministry of Agriculture and Food. The committee will also meet on Wednesday, May 30, at 10 a.m. and Thursday, May 31, at 8 p.m. in committee room No. 2."

We will have some time available to discuss arrangements for our trip to Dryden next Wednesday, a week from tomorrow, and also to determine the procedure we will follow with regard to the acid rain report and bill 24.

On vote 1904, agricultural marketing program; item 2, marketing:

Mr. Chairman: Mr. McGuigan, would you like to start, please?

Mr. McGuigan: Thank you, Mr. Chairman. I have concerns that I have already expressed and I would like to go over them in a little more detail tonight. My overall concern is about the position of our marketing boards here in Ontario. Just to give you a bit of their history as I know it, they really came out of the consolidations that were taking place in the processing industry back in the 1930s.

Canadian canners put together a number of small processors and concentrated their efforts here. The meat packing industry was doing the same. We were in the throes of a very deep depression. We were also suffering from the extra production that came about by switching from horse power to tractors, which freed about 25 per cent of the land which formerly provided food for the horses. It is only recently that we have caught up to that situation.

We have very different problems today in the production situation and in the political

situation, by virtue of the fact that today only about five per cent of our people are farmers with the other 95 per cent being consumers.

An editorial that appeared in *The Grower* points out this position. It says: "Only 15 of the 282 constituencies at stake, or a little more than five per cent, are designated as rural by the chief electoral officer, and these include northern non-farm ridings." This speaks, of course, of the federal ridings. "The shift of political power to the cities follows the shift of population and economic power." I won't read you the rest, but it delineates the changed political climate we now have for farm producers and for marketing boards.

As the minister well knows, there are a number of consumer groups that take exception to the whole marketing board philosophy and are bringing it under increasing attack. This tells me that all of us, no matter which party we belong to, have a very grave responsibility if we believe in the marketing board system, and certainly I do, to guard it very jealously but in a very fair manner, as the system must be fair to both producers and consumers.

It has stood the test of more than 40 years of operation with not too many upsets or scandals connected with it. It has a solid foundation, but it bothers me when I find people making political speeches—and I hope you don't think I am making a political speech here now—

Hon. W. Newman: We would never think that, Jim.

Mr. Lane: No doubt about it.

Mr. McGuigan: Just like the member for Stormont-Dundas-Glenarry (Mr. Villeneuve), who is speaking for his constituents, I feel I have an obligation to speak for my constituents in the riding of Kent-Elgin. I think I can enlarge that to southwestern Ontario, where we grow so many products that are under a marketing board system. I think, with the recent addition, we now have 25 boards, five of which I believe have supply management powers.

There are, relatively speaking, very few producers in the southwest producing under a supply management system; they are mostly

under the negotiation-type boards. My fear is that if we jeopardize any aspect of the farm marketing system it will be the supply management one that will be the Achilles' heel. When opponents seize upon our weaknesses, or perceived weaknesses, and possibly put us under, they will put us all under. They won't reserve their attack to the supply management boards; they will take us all under.

In that respect I feel I have a right, a duty and an obligation to speak for people in my area who are very much in favour of farm marketing boards.

[8:15]

I know I am getting out of my depth when I talk about milk. I am not a milk producer, but I listened to this argument for quite a number of years when I was a member of the Ontario Federation of Agriculture. It seems to me it really boils down to this: either you live by the discipline of the marketplace, a very harsh discipline that we decided we didn't want to live with back in the 1930s, or you live by the discipline of the marketing board.

It seems to me a number of people wanted all the advantages of the marketing board system and the federal subsidies that went into it, but they weren't too willing to live by the discipline of the system. When I listen to all of the charges and counter-charges, I think the greatest area of disagreement is really the \$1.4 million, based on differences in calculating the excesses in the system, whether you use milk or whether you use butterfat. I certainly don't know who is right, but in a difference-of-opinion situation I think we have to agree either side can be right—maybe it is 50-50, 90-10—I don't know what it is.

As far as I can see, all the rhetoric forthcoming in the last couple of years—some of it from the minister too—really centres on \$1.4 million. We can't say that is inconsequential—it is a lot of money. But when it's put in a true perspective, when something in excess of \$350 million is put in each year by the federal government to support the dairy industry, then \$1.4 million isn't such a big talking point. I emphasize again it is a matter of difference of opinion.

I am not about to fight the last election. It is over with. We hope we are into a new era and that Canada goes ahead under its new leader and that we solve our problems. I worry that perhaps the next area of attack is Quebec—that we are going to blame all of our problems on Quebec. But I think we must all face up to the fact that some of the

problems are our own. If we can't live under the discipline of the market, then we have to accept the discipline of the marketing board.

Those are just some general comments I wanted to make about milk marketing, realizing of course there are other members who know a good deal more about it than I do.

Mr. Nixon: Which members can those be?

Mr. McGuigan: I have to think Osie does.

Mr. Nixon: It's been a long time since Osie milked a cow.

Mr. McGuigan: There were some other things I wanted to mention. One is rather a favourite of mine—apple marketing—where I feel I do have an intimate knowledge of the industry.

One of the problems that has come up—laying aside this business about two per cent discounts—is that the chain stores have now moved towards a central warehousing system. The apple marketing commission, in their wisdom or lack of wisdom, depending on how you look at it, allowed an eight per cent discount to be taken off invoices for products that were taken to the central warehouse. In addition to this they allow 45 cents a carton if the chain-store trucks happen to pick up the commodity on a return trip.

The way this thing works is that a chain store will send out a truck to one of its stores for which it charges a certain fee—it might be \$600—to pay for a truckload of commodities. They will pay the \$600 whether or not the truck is completely full. So it is a lever they have on the individual store manager to make up enough orders to fill that truck. In other words, there is a great deal of pressure on him to prevent him from buying from local producers.

In addition to that pressure, this empty truck may pick up apples on its way back to Toronto and they pick them up at 45 cents a carton. You can put 800, 900 or 1,000 cartons on a truck. So they are getting a darned good back-haul. Usually in the trucking business, at least in the exempt part of it, a back-haul will go for a fairly low rate because the people are glad to get a back-haul. But the chains now are taking over the trucking industry to some extent in getting eight per cent to take the goods out to the store and then 45 cents a carton to bring it back. That is a very powerful incentive to go the warehouse route.

What is wrong with the warehouse route? Certainly at extreme ends of the province it means people in my end of the province or in the east have to ship their product to Toronto where the warehouses are located. It goes through the distribution system and

then back again to be put in a chain store. It also takes away from the management function of the local store operator in that he has products shipped to him that he didn't order.

We saw this about the last week in April. As I can put this thing together, somebody in California phoned one of the chains and said, "We have a big stock of strawberries on hand. We will give you a buy." The strawberries came to Toronto and were shipped out to their various stores on what they call allocation. They weren't ordered by the store operator; they went out on allocation. The result was that during that week they had far more strawberries than they could possibly sell in those stores. Berries that cost the store \$1.25 a quart sold at two quarts for 99 cents. A great many of those were thrown out in the garbage.

Just a little side issue: the store operators who were smart discarded at the end of the week whatever was excess. They sent that to the dump. But if they were inexperienced, they put those in the cooler. Let us say it started on a Monday. On Tuesday another shipment came in. They would maybe stay in the cooler because the cooler was full. This allowed them to keep trying to sell Monday's berries and meanwhile Tuesday's berries were going to rot. This follows right through the week.

I think this is pretty damaging to our future market coming in June with strawberries. It sets up a false impression in the minds of consumers about what strawberries should be worth. During that period of time, it also displaced apples from the displays because those operators who were charged with the responsibility of selling this underpriced fruit put it in select areas. As you probably know, there are certain spots in the store where goods sell much faster than other spots, and so some of our products were displaced during that period.

We are building a system here of total control of our food industry, it seems to me, and we keep following this. I have to say in fairness that perhaps it's inevitable. I have used this term before. Death is inevitable but very few of us are rushing to meet it.

Mr. Riddell: In this business you sometimes wonder.

Mr. Nixon: We are all fading at the same time.

Mr. McGuigan: It seems to me as elected people—and I am speaking of the apple board people—it's their duty to fight for the industry and fight for the small family farmer, for whom this legislation was really brought forward, rather than for the great big operators. I can see some of the things that are in their

minds. They want to move to two or three central packing plants. They want to go to a BC one-desk selling system. They see that as desirable.

I ask you, when we reach that system what political support are we going to have and what justification are we going to have to maintain our marketing board system? I know the minister is going to say it's up to the producers. They elect these people. If they don't like what's going on, they should kick them out. The buck stops really at your desk.

Hon. W. Newman: Absolutely.

Mr. McGuigan: You are ultimately responsible for this. I feel you should be taking a stronger stand. I brought this up in the House but there are two things connected here. An article in *Farm and Country* of Tuesday, May 8 says, "Apple Rate Cut Below Minimum?" It says: "No store owner need pay the full legal minimum price for Ontario apples between September 1 and November. This allegation was made by Frank Warnock of Ottawa, president of M. Loeb Limited, during a judicial inquiry into food industry rebates, discounts and allowances being held in Toronto."

I appreciate that you are investigating it. There is one other point here. The article says: "Warnock noted the deal involved a Liberal back-bencher and said, 'Maybe we should choose our suppliers more carefully.'" I didn't intend to press this point. He has already chosen them more carefully because he dropped me.

Hon. W. Newman: Can I ask you a question? I don't want to interrupt. Do you mean he won't buy it from you any more?

Mr. McGuigan: This store now goes to central warehouse systems. I wasn't going to mention this because during my testimony at the inquiry I pointed out that I wasn't the only one who had been dropped. Other people have been dropped. I didn't really feel that I had been treated that unfairly, except that the man himself comes forward and says, "Maybe we should choose our suppliers more carefully." That was his initiative, not mine.

[8:30]

I would draw your attention to the producer newsletter number one of the Ontario Apple Marketing Commission. It's an outline of the makeup of the producer directors and the dealer directors. In brackets it says, "Appointed by the Minister of Agriculture and Food." The consumer director is Mrs. Joan Stewart of Ottawa. The retail director is Mr. Gerry Tracey of Oshawa Wholesale Limited, Toronto. I would think the Minister of Agri-

culture and Food would take a good close look at that next year before he appoints his people to that board, when you see the comments of Mr. Warnock. It really doesn't give you a great deal of confidence in this whole system, when a company over a period of years was taking these discounts and then made such remarks and has a member on the Apple Marketing Commission. It kind of bothers, Mr. Chairman.

There are some other things that concern me. I hope I am wrong in these. I look at the food price monitoring program, report number one, put out by the Ministry of Consumer and Commercial Relations. The first item there is: "Toronto prices of apples, McIntosh fancy, Ontario three pounds, for the period of January, February and March." It gives a chart, and there could be errors in this chart or there could be errors in the gathering of the information, but to the best of my figuring it out, during January, the lowest commission price you could come up with is 58.5 cents. That's taking all of the discounts, taking the eight per cent, taking 25 cents for returned empty containers, and taking 45 cents for container pickup.

I don't think all of those apples would qualify under that, but when you take those, you come up with a commission price of 58.5 cents and the monitor price is 55 cents. In February, using the same rules, the commission price is 67.7 cents and the monitor is 58 cents. In March, the commission price is 72.3 cents and the monitor price is 68.5 cents. I really don't think things are that bad, but it certainly raises some questions I feel should be answered.

These charts have: applies, McIntosh; beans, green; broccoli; cabbage; carrots; celery; cucumbers; lettuce; onions; potatoes; spinach, and tomatoes. To look at the impact of the charts, there's a picture you can read without really having to figure things out. Just looking at the impact of those charts, it comes out that of the 12 items, seven are imports. Two of them have a high markup, one has a medium markup and four have low markups. Of domestic products, three are high, two are medium, and zero are low.

I just wonder to what extent we are being hurt in our domestic production of foods by high markups on domestic products versus low or medium markups on imported. I often get the feeling that we're subsidizing those imports. I know there's no legislation to deal with that, but I think it's an area that you should put under study. It's certainly not being done, as far as I know, by the food prices inquiry. I wrote to the federal people and asked them if they would study it; they

said no. No one seems to be studying it. But I would certainly like to impress upon you that I believe it's an area that should be studied.

I think I have covered the main points that I wanted to make, Mr. Chairman. There's only one hour and a half tonight, and other people want to say things. In summary, though, I don't think we in the opposition should be the conscience of marketing boards. I think the minister should be the conscience of marketing boards, and I feel he should be doing more than he is.

Hon. W. Newman: Mr. Chairman, I'd like to say I appreciate Jim's comments about marketing boards. I don't know where to start. I made a few notes when we were along here.

You said about five per cent of us are farmers and 95 per cent are consumers. I like to point out that we're all consumers whether or not we're farmers.

You talked about our consumer group that they're doing and where they're located both provincially and federally. As you know on our former milk commission we had a consumer representative, Mrs. Jeffrey, and on our former farm products marketing board Ruth Jackson. We still have two consumer people on our appeal tribunal. I say that's a good thing, because once the consumer and I can't speak for the two who are on our particular committees, except to say I think they've been a real asset—

Mr. McGuigan: I have no argument with consumers on the boards.

Hon. W. Newman: I have found that, on the one hand, they understand the agricultural process, on the other hand, they understand where we're going, and on the third hand, they understand the producers aren't ripping anybody off, the attitude of consumer people on those organizations has been fantastic. There has been the odd exception, of course, almost to the point of saying: "Doggone it, we didn't really understand it, and now we do. As consumer people, representing a consumer association in Canada or in Ontario, we understand it, and we really don't object to what's being done."

There are times they may disagree, but on the whole, and large I think they have done a good job because they have begun to understand. Of course, I could go on from there to say "That's great. If they do, then why don't you get all the consumers in Ontario to understand really what we're trying to do with farmers in this province?" That's not easy because, in all fairness to the press, whether or not they're here, it's pretty hard to get it in the bigger-city papers to really understand

farmer's position. I think I reiterated very clearly the other night that the study we did showed that the consumers of this province by and large want to buy Ontario products and want to support the Ontario producers.

I just point that out in passing because you are talking about supply management groups and some of the problems there. You mentioned milk—I realize we don't have much time, so I won't get into the subject of milk at any great length tonight. I just want to say that I think we had a very useful meeting the other night, when the chairman of the Ontario Milk Marketing Board was prepared to come here to answer questions and to discuss how they operate. I think that's great.

You say I made a speech; sure, I made a speech, and I referred to it several times during the estimates. But just one of the simple facts is that, since we went into the milk marketing board, the population of Ontario has increased by almost a million over Quebec. I'm not picking on Quebec or any province. I'm saying there have to be some adjustments made in the system. You talk about \$1.4 million. I'm for supply management in milk, and I believe in it all the way. I mentioned the other night, I thought there was going to be a federal announcement made on it. There hasn't been, but it looks as if there should be an increase in industrial milk put on the market, say, tomorrow, because the dairy year runs out at the end of May and we don't have very far to go before the present dairy year runs out, although it has gone for a year and a half. They have ended the dairy year.

In the whole milk situation and supply management schemes I realize they're national, but I also realize that good national schemes, to work well and to be understood by not only the farmers—the farmers understand it, producers understand it, but we have to have the other people, the other 95 per cent, understand that sort of a program. As I said, it's difficult for some people to understand why millions of dollars are being spent in one province or another province to build new plants while we have the capability or the capacity here and we're meeting the demands—or not demands, but the requests of the former government in Ottawa from the present government; I guess they haven't turned it over yet—to produce specialty cheese, so on and so forth.

Mr. McGuigan: Didn't we agree to that system though? I'm just asking this for information. Didn't we agree to a certain sys-

tem—and I'm not saying that it shouldn't be adjusted—for the term of the agreement, whether it's a good agreement or a bad agreement? I think I made a lot of bad agreements in my life, but I was always forced to live up to them.

Hon. W. Newman: Let me say this, I agree that we all agreed to it in the first place, but times change. You're talking about marketing boards being set up many years ago. They've been a good thing. They still are a good thing. Don't get me wrong. I think they're a very good thing. But you have to have adjustments. Whether we're talking about the \$1.4 million, whether we're talking about the \$7 million that somebody owes, or whether we're talking about the new plants, or whatever it may be, we agreed to a system, but what we didn't know at that time—and hindsight's a great thing and we can always look back and criticize, and probably will over the years, on both sides of the fence, but what we're saying now is that we need some more flexibility built into the national supply management system in milk. That's all we're asking for.

The chairman of the milk marketing board sat here the other night and agreed with what the member for Stormont-Dundas-Glenegarry (Mr. Villeneuve) had said, what I had been saying, that our population has changed, our tastes have changed. We should be looking at the total reallocation—we don't want it all—of industrial milk in this country. Unless we as farmers, or as milk marketing boards or as a national supply management committee, whoever they are, are prepared to look at it realistically, we're going to get hurt by the consumer groups. There's no doubt about it, and they'll pick on one, because if they can pick on one they will use it to tear the others apart. I'm fully aware of what you're saying, and I agree with you.

So why don't we resolve our differences? Be we few in numbers, we may have a fair amount of strength left in this country. Unless we can solve our problems at home, or solve our problems and get it sorted out, then we're looking for trouble, and I agree, because all they need is one. We have 25 boards here, some new and some of them are working very well. I think there are a few problems, I admit it, but all they need to do is for some group to find one and then you've got a problem. I guess it's not the levy I'm worrying about, although it does concern me to some degree; we just have to have a bit of flexibility built into that system, like we have in the new broiler system. We have that flexibility built in there. The turkey

board did make the flexibility work in that particular area, so there is flexibility. It means a bit of give and take in all provinces, and I'm saying maybe in Ontario too.

Mr. McGuigan: In all of this talk is the first time in my knowledge that I heard you say that we agreed to a certain system. Sure we should have flexibility, we should change it because of changing conditions. Absolutely. But it seems to be that it's missed by the public that we agreed to a certain set of circumstances during a time period.

Hon. W. Newman: Let me say this, the national supply management committee is constantly meeting and making recommendations. I have to be a strong believer as a farmer—or as one who used to be a farmer and doesn't have as much time as he'd like to have—in the right of the farmers to determine their own future, and there will be times as a minister where I have to take that responsibility and maybe make some tough decisions.

[8:45]

I think you brought the matter of the egg board up the other night, Jack. We were to meet last Wednesday, but unfortunately, because of emergency circumstances, some of the senior people of the egg board had to go out west to some conference—I have forgotten the details—but I was prepared to meet them last week.

Mr. Riddell: When are you meeting?

Hon. W. Newman: June 11; we will be meeting with them to discuss this whole matter. But I was quite prepared, as I said, to set up a meeting at that time. We set up the meeting, and unfortunately the egg board senior executive had to go out west, as there was something very urgent for them.

Mr. Riddell: Not another stalling tactic?

Hon. W. Newman: No, no. The chairman told me it was a very legitimate reason, because I was prepared to meet with them at that particular time. But I have always been a great believer, as far as the farmer or the producer is concerned, that he has a right to either market his product individually, whether it's his hogs, or beef, or whatever, or collectively, on a negotiating basis.

If I am reading you correctly, I think you are zeroing in on the supply management program that is concerning you, and I think that you are right, they have got to be looked at. We have had discussions and we will be discussing the whole situation at the federal-provincial conference, whoever may be the minister. The conference is laid on, and I assume the new federal minister, whoever he or she may be—

Mr. Riddell: Do you want to put so money on John Wise?

Hon. W. Newman: How much do you want to bet?

Mr. McNeil: How much do you want to bet?

Hon. W. Newman: Your white bean crop against my corn crop?

Mr. Riddell: Well—

Mr. McGuigan: One on one.

Hon. W. Newman: No, I was just being little facetious for the moment. I really believe that all of today's farmers are market oriented and, I will tell you, farmers of today are not like they were when I first started out. Maybe I criticize myself to some degree and maybe some of the other older farmers who are around today. But they are market oriented today and realize they have to move with the changing times, the markets are what is there; what can happen and what is going to happen in the tariff situation where we are going on tariffs; what sort of legislation is going to come forward, although I realize there are going to be some small delays right now because of the change of government and so on. But I do really believe that farmers are very market oriented, and I think this is very important.

I could talk about milk all night because that is my favourite topic, but that would be unfair. You mentioned apples and I made a note here somewhere. I think we even got into a discussion on strawberries tonight, and I think it is important that we talk about strawberries. It is a fresh commodity. We are very interested in looking at the potential of processing Ontario strawberries—they are imported now—and maybe freezing Ontario strawberries, or using that special situation where they deal with them—I don't know what it is called.

Mr. McGuigan: We are building a freezing line at Cedar Springs.

Hon. W. Newman: In our Foodland Ontario program, Mr. Gibson and others who are looking after that program are working very hard. Mrs. Marg Szeker has been appointed as the person in charge of that part of the program and, I will tell you, she is very capable. We talked in the House today about this situation, but I am quite sure she is on top of this. They will be in touch with the chains, and we are going to try to move out Ontario strawberries as best we can and as quickly as we can.

Mr. Nixon asked me the question today and I would make some comments about one of his producers, but I wouldn't dare do that because it is one of his constituents.

I am very concerned about strawberries and about the processing industry. We talked

about the \$200 million fund we are working on, and we have a lot of applications before us now. How many we will work out, we don't know, but we are working on them right now. We think there is a great potential down here. We think that the new fund, which has been criticized by your leader, I guess by the leaders of both parties, can go a long way to solving a lot of our problems on a long-term job basis.

I am getting away from some of the things that you—

Mr. McGuigan: May I mention the work about strawberries now, if you don't mind?

I think you touched on it in answering various questions.

Hon. W. Newman: You have given me so many questions here, I don't have them all in order; that is my problem.

Mr. McGuigan: The real problem with this business of our crop coming on, and finding American strawberries having the warehouses clogged, is that in Ontario we cannot give any certainty—advance warning—of when the bulk of the crop is going to hit. We know it is going to come in June, but we don't know it is going to hit June 18 or June 14 or June 20. It is simply controlled by the type of weather we happen to have.

When your people talk to the chains about strawberries, I think you have to make the point that the chains may have to go pretty tight for a day or two. They don't want to do that; they want to have an unbroken supply. When they assure themselves of an unbroken supply, by having lots of imported produce in their coolers and on the rails on the way here, and then we get a hot spell, all our berries come on a few days earlier. Pardon the word, but then we have a jam-up. I think you have got to impress upon them that if they are going to co-operate with us, then they have to take a few days of light supply on occasion.

Hon. W. Newman: Yes. You have to keep in mind that we are working with the chains. I believe Mr. Nixon mentioned today that Steve Stavro—good fellow—has been very helpful.

Let's talk about moving onions. We have had more onions this year than we have ever had, and they moved them out very well.

Let's get back and talk about your strawberries. I missed your apples, but I will come back to your apples in a minute. The fresh strawberries are handled by the fresh fruit board; I am sure you are fully aware of that.

Mr. McGuigan: They haven't been in the past.

Hon. W. Newman: I beg your pardon?

Mr. McGuigan: They have been a free market thing in the past. There is an old strawberry processing board, but I think—

Mr. Nixon: They are resurrecting an old board this year.

Hon. W. Newman: Yes, that is right, and I am going to come to that in a moment, if I may. As far as the strawberries are concerned, last year this fresh fruit board was not unhappy.

I have had a note handed to me—I'll get back to strawberries—but this note says they are calling the chain stores right now, or they have been—not since you brought it up in the House today—but before that. They have offered their full co-operation, and we are providing daily information on the crop to the chain stores which are very—

Mr. Nixon: I am glad to hear I didn't have anything to do with that.

Hon. W. Newman: I wouldn't give you any credit for it even if you did. Fair enough?

Mr. Nixon: That was my point. Fancy going out of your way to put me down that way.

Hon. W. Newman: No, I would never put you down. The trouble is—

Mr. MacDonald: On a point of order: Are we cutting off at 9:30 in these estimates?

Mr. Chairman: Well, 9:40 to be precise.

Mr. MacDonald: Is it your intention to leave at least half an hour for research, the final vote?

Mr. Chairman: The clerk informs me the time allotted was an hour and a half. We started about 10 after.

Mr. MacDonald: My question is, is it your intention to leave at least half an hour for the final vote?

Mr. Chairman: That is up to you people. I am not trying to cut you off. Whether you want half an hour or you want five seconds or 10 minutes, that is up to you people. You know the time allotted.

Hon. W. Newman: Mr. Chairman, I will try to keep my remarks as brief as I can, but the strawberry promotion created quite a fuss last year. I want to let you know that Foodland Ontario in conjunction with Fresh for Flavour, will be doing a lot of work this year on the strawberry promotion. The co-operating groups will be Foodland Ontario, the Ontario Fruit and Vegetable Growers' Association, with strawberry growers and the fruit board. We will all be working together. There will be newspaper ads starting June 13 for Foodland Ontario. June 13 may not be the right date but you have to book your

space ahead of time. All retail chains have been contacted for the week of May 29, to really have a major push. Sales promotion bulletins have been sent out to produce managers. Foodland Ontario price cards have gone out to the retailers to identify a product at point of sale. For the food service industry, Foodland has sent information to restaurants and to all food editors of the daily papers. Free radio tapes on strawberries have been sent to 54 radio stations, and a CBC interview has been scheduled by Foodland Ontario.

I have a long release here on what is being done. We are putting \$50,000 to \$60,000 into the strawberry promotion this year, for Ontario strawberries. So we are aware of the situation.

Mr. Nixon, being a knowledgeable farmer, knows that strawberries used to be ploughed down almost every year, or every two years. Now they can go to three years with the new sprays and controls we have. You can leave your crop in longer. We are getting a build-up in strawberries and we want to move them.

At present we are looking at the processing and the freezing end of it. We are going to do a major promotion on strawberries this year to try to make sure the strawberries move out. A lot will depend, of course, on when they come in.

Back to the apples because I know you feel very strongly about this. I want to make a couple of points, if I may, Jim. I realize you want to talk of other matters.

Mr. McGuigan: I am pretty well finished now.

Hon. W. Newman: You brought it up and I would just like to touch on it.

Mr. McGuigan: I would be glad to hear your answer.

Hon. W. Newman: As far as the discounts are concerned, these are set up by the apple commission. The other problems are with higher rates, and this was the composition of the apple commission which was done by vote.

Warnock has said they buy at less than commission prices. I think this was raised about a year ago June, whenever we had our friendly little discussions last year. It has gone before a royal commission. We also are looking at it in the Farm Products Marketing Board because I think it is contrary to the regulations, which is of vital concern to us.

You were talking about the price of McIntosh apples, imports. You maybe noticed we did run a couple of ads on McIntosh

apples comparing them to imported apples whether at 55 or 68 cents.

I have tried to be fairly brief, Mr. Chairman, because I realize there are other areas you want to discuss. I do realize you are very sincere in what you are talking about in the apple situation.

I think you asked me the other day in the House about juices spin-off, what they are worth. We threw it around, how much they were a bushel, and I will answer that question in more detail, rather than take the time tonight.

Mr. MacDonald: I just want to say a brief word on marketing before we move on. I hope to spend a little time on research—

Hon. W. Newman: Mr. Chairman, I'm happy to talk about marketing. I've got another half hour here. I thought you were going to get on research.

Mr. MacDonald: I could go for half an hour, too, but I am going to try to keep it to five, six or seven minutes.

Marketing boards today are under massive attack. In part, it comes from farmers themselves; that minority who fail to accept the majority view and have difficulty in switching from what Jim McGuigan referred to as the disciplines of the marketplace to the disciplines of the board. But even more important, it comes from what I would bluntly assert as the misguided efforts of consumer groups or those who seem to influence consumer groups—even more from those who are opposed to any effort in the marketplace by way of collective bargaining, whether it be the chamber of commerce, the Canadian Manufacturers' Association, the editorial writers of the Globe and Mail, or you name it.

The simple fact of the matter is, marketing boards are the only measure of collective bargaining strength that farmers have. God knows it is much limited, by comparison with the collective bargaining of teachers, lawyers, doctors, or you name it. As we well know, among the 25 that we have in existence in Ontario, marketing boards range from those who are really just associations promoting their products to try to maintain and conceivably, hopefully, expand their share of the market, to those who have some negotiating powers, to about five who exercise supply management and certain pricing controls.

[9:00]

The massive attack, of course, is on those who exercise supply management, because these are the boys who really move in on the market and control the market. Everybody who wants to control the market otherwise,

whether it be Loblaw's, or whether it be the professional free enterprisers, of course, is opposed to marketing boards. They are opposed to the exercise of any control over the market.

We are in a happy position in Ontario and to some extent we are better off than at the national level, because all three parties are in support of marketing boards in Ontario. We may have our own personal reservations, we may have our own personal views as to the reservations that each party has on marketing boards, but I don't want to go into that detail. There is a significant area of common ground.

The problem at the federal level with Gene Whelan is that Gene Whelan has been a valiant champion of marketing boards but, my God, everybody else in the cabinet has been opposed to them. Some of them openly, bitterly, vigorously and successfully, to a considerable extent, oppose his efforts to protect marketing boards.

I have only two sort of concluding comments. I think marketing boards that are just trade associations are no problem. They are no threat to anybody. Those who have certain negotiating powers are threatening to some degree. The real problem, the real threat, the real challenge, the real attack is on those who exercise supply management, and do what every businessman does; tailor their production to the capacity of the market to absorb it. That is what farmers are doing. They know if they produce two per cent extra, that two per cent extra in surplus is going to be added to slaughter their price on the 90 per cent which is necessary to cover their costs of production.

What they do is move towards some sort of formula which will guarantee them the cost of production. If I have one bit of advice, gratuitously presented from the asphalt seats of York South to those of you who are genuine dirt farmers, it is that all marketing boards should move as quickly as possible to a position of supply management because that is the only place in which they are going to have some real control and where they won't be just pawns in the market which is controlled by somebody else.

In doing so, I hope they will move to the development of a formula which is a genuine reflection of their legitimate costs—costs of production, plus a fair return on their labour and a fair return on their investment. I don't want to go into detail because I know that varies from commodity to commodity.

I have found when I have gone into consumer groups and urban groups, and let me

take as an example the milk marketing board, and told them about the pricing of milk, I had no difficulty getting accepted by an urban group when talking about the cost of milk, the price of milk, and the fact it went up. It is geared to a formula. The formula affects not only the cost of production but it is an economic formula that takes into account consumer purchasing power and a lot of other economic factors that don't relate directly to the farmer.

You will find that urban consumers, trade unionists and anybody else will recognize that is very fair. Therefore, I think the sooner marketing boards get to a formula pricing so they have some assurance they are going to cover their cost of production, so that they don't have this boom and bust cycle, the better.

I mentioned the beef producers briefly the other day. They are their own worst enemies. The beef producers took a trimming for three or four years. No group was more desperately in need of a marketing board with a pricing formula than the beef producers, though they are pathologically opposed to even a marketing board, let alone a pricing formula, because then they would not have been starved for three or four years. They would not have cut their herds back because they couldn't do it and therefore reduce their capacity to supply the market. Now you have prices about which the odd intelligent beef producer was saying, "We are getting too much now." They got to little then, and they may be getting too much now and destroying their own market.

I would say in the instance of farmers, the sooner they can move to a formula pricing that will give them a legitimate covering of their costs of production plus the cost of their labour and a fair return on their investment, that is the way in which you are going to stabilize agriculture.

I know that you can't move because it's a voluntary movement, and nobody can push farmers. The human animal is 90 per cent mule and farmers may be 93 per cent because they are fierce individualists. If you push them, they are likely to go the opposite direction. But the sooner those who are just trade associations or just negotiating move to the proposition where they have some control over the market, then the better. Then they would have some strength against the supermarkets that Mr. McGuigan has been detailing in some considerable extent in revealing how they control the market and how the farmer and the consumer are the victims of it.

There is one other area I would raise, and I commend the minister for this. Don't be

startled. When you are right, I always commend you. I commend the minister for his cautious reaction to the study on quotas because that study on quotas was done by those in the marketing boards which are using quotas. It's a club. It's a protecting of their own interests. The buying of quotas among those who happen to be into the game now, unless you fix the limits on the size in which you can get a quota, means that those who have the means can become bigger and bigger and the family farm gets squeezed out of the picture totally.

I suggest to the minister that the basic principles that were enunciated in that little memo—it is only three pages—you got from the NFU are a very good guide. I suspect the principles of that guide are causing you to be a little cautious in terms of reacting enthusiastically to an acceptance of what appears to be the conclusions on the quota. Sooner or later we have got to face up to the fact, because the consumers' associations and everybody else recognizes it, that incredible quota prices built into the capital cost of agriculture mean that you are going to have an excessive cost passed on to the consumer.

To some degree they are right in questioning that. The Hennessey report 10 or 15 years ago said that pricing should be eliminated totally. It should all be paid for in what is an equitable manner, an equitable extent to those who have bought the quotas now, but it all should go back to the board and the price should be eliminated. You are eliminating a cost of production, a cost to the consumer, a capital cost built into agriculture.

To wind up, without going beyond the six or seven minutes I said I would take, I just want to express, on behalf of myself and on behalf of all those who have also indicated their support of marketing boards, that it is an unqualified support, subject only to the reservation that when farmers do build pricing formulas for their product, people should recognize the purpose. You may question the validity of the formula. You may say that it's too rich and that you want to re-examine it. That's fine, but don't throw out the baby with the wash. Don't throw out the formula because that's a guarantee of a legitimate income to the farmer. It's the guarantee of a stabilization of agriculture so that it isn't devilled by the booms and busts which have characterized agricultural history.

Secondly, on the question of quotas, which the minister is looking at and looking at cautiously, I find as I talk to people in farm publications and farm organizations that there's a growing concern about this quota situation. We can't simply walk away from it.

I am not persuaded that the consensus that emerged in that report is other than a consensus among those boards that now tend to have quotas which, therefore, gives them the control of the situation which in effect they now dominate and from which they exclude the new farmer who wants to come into the picture, except at a cost that is beyond his means. That's a problem that has to be addressed. I will leave it there.

Hon. W. Newman: May I just comment on this? I don't quite agree with Mr. MacDonald. I never did all the way, but certainly I don't believe that all commodities should be under supply management.

Mr. MacDonald: I said if the farmers want it.

Hon. W. Newman: Yes. The option is there for them if they want it.

Mr. MacDonald: It's the only way they will get the ultimate stability.

Hon. W. Newman: Anyway I won't go into that, but you could say that the beef farmers are their own worst enemy. In the beef industry, you are dealing with more than just an Ontario problem. You are dealing with more than a Canadian problem. You are dealing with a world-wide situation. The beef industry is not quite that simple, so that beef perhaps is a poor example of supply management, if you want to talk about it, but that option is open to the farmers in this province.

You mention also about marketing boards and that they are all made up differently. I pay tribute to the marketing boards we have in this province. We have 25 marketing boards. As I have said before, we have had a few problems from time to time and we will have some more, but by and large they do a very fine job. There is really very little noncompliance.

Farmers are pretty responsive to their own marketing boards. There are those who disagree with their own boards, and that's a healthy sign maybe. But by and large the marketing board system has worked well for the farmers. I think the farmers are responsible people, even though they are only five per cent of the population.

I think one thing you should remember as far as quotas are concerned is that the formula used for pricing milk and other supply management commodities does not include the price of quotas. I know there has been a request from Ottawa to review some of these matters but the price of quotas at this time is not included in the price they get. I am waiting for the response, as I said the other night, from the various marketing boards.

As you know, we have a study proceeding in the family farm right now. A former deputy minister, Mr. Gordon Bennett, is leading it. I am concerned about preserving the family farm in this province and in this country because I think the family farm is the most efficient unit we have.

So rather than getting into any great discussion with you as far as quota transfers are concerned, I'll say there will be long deliberation at the provincial level but that I think the national situation has to be dealt with too. However, the provinces do have a major role to play—and I am not shirking my role at all; I think we really have to work on it. You say marketing boards are under attack. I have heard people say all through these estimates the marketing boards have been under attack. They are under attack by some people, yes; but by and large I believe marketing boards have not really been under attack. If we keep talking about them being under attack by a few individuals, we are going to hurt the marketing board system. Then the average consumer in this province understands what marketing boards are all about and what the farmers' returns are, I don't think there are any qualms at all. I think you mentioned that yourself when you talked to this point.

Mr. MacDonald: Agreed.

Hon. W. Newman: So rather than saying they are under attack I think we had better take a very positive approach on it. Yes, we do have some problems, there is no doubt about it. But I think our marketing boards have comprised very responsible people by and large.

On milk I think also we need a national supply management program with some flexibility. Let's look at turkeys. I think you remember very well about six weeks ago where Alberta was going to pull out of a turkey plant. The various boards got together and they resolved their differences and Alberta is now back in the national supply management of turkeys.

When you get a population change of almost a million people, when you get consumer taste changes—considerable changes—when you are encouraged to produce specialty cheese so we don't have the imports, which we have done, and when you find yourselves short of milk to make cheddar cheese or the plants are running at 50 per cent of capacity, then I say it's time we have an adjustment in the whole national supply management program of milk. The milk marketing board has said the same thing.

[9.5]

We should get credit for export. We should be looking at reallocation. We don't want all of it. As I said before, it doesn't seem fair, if you are going to make it work effectively, that one province can say to a producer that he can produce all the milk he wants to produce and that he can get top price. He won't be penalized by over-quota levies. He can just go and produce the milk.

Mr. McGuigan: What province is that?

Hon. W. Newman: Alberta. And I think there is one other province—New Brunswick, I believe.

There is one side of the coin. Here we are in Ontario where we have farmers taking penalties right now. Their milk cheques are away down. I think the member for Stormont-Dundas-Glengarry (Mr. Villeneuve) brought that up the other night.

I am not attacking the system. I am saying it is time we got some flexibility and realism in it. We need to readjust it. We don't want it all; all we want to do is to make it realistic. The Toronto papers like to pick up the fact that people can't go out and buy cheddar cheese. You all understand, but they don't understand the intricacies of the whole system.

Mr. McGuigan: Look at that article in that popular magazine Harrowsmith. That must have turned off a lot of consumers.

Hon. W. Newman: I'm not sure. They write so many articles and I don't read them all. But what I am trying to say is that we have got to convince the consumers out there. We have to say to the consumers, "Yes, you can have your cheddar cheese from Ontario, and from the other provinces too." But we need a little flexibility in the system.

It's great for me to go back and criticize the system as it was set up. We were in chaos in the early 1960s; I know that, I was in the milk industry. I fully understand the problems we had. I will be honest with you: the former chairman, who lives in my riding and is a good friend of mine now, and I, had to be separated by Bill Stewart one night at a meeting. But today, 10 years later, I am saying it is time we had a look at the system for a readjustment. That's all I'm asking for. I am not saying it's wrong—I am saying it is a good system. But I am saying that reallocation has got to be looked at.

Mr. McGuigan: I can't argue with that, Mr. Minister. It seems to me a lot of people get the idea that Quebec can produce all the milk it wants when in fact it cannot.

Hon. W. Newman: I realize there is a bit of a problem there right now which is begin-

ning to surface. One of the reasons Foodland Ontario was launched was to make the consumer aware of Ontario produce.

Mr. McGuigan: It's a great program.

Hon. W. Newman: Yes, I only wish I had more money for it. I hope you will all write to the Treasurer (Mr. F. S. Miller) and tell him too.

Mr. Nixon: Did you tell him you needed more?

Hon. W. Newman: That's an unfair question. It would be breaching cabinet confidence to answer that. But if you can't guess what I told him, I think there is something wrong.

Mr. Nixon: How come he says no to you?

Hon. W. Newman: He didn't say no in some things.

Mr. Ruston: You're losing your clout.

Hon. W. Newman: We had better not get into that, or we will go on until 11 p.m. tonight.

Mr. Belanger: Can I ask a supplementary, Mr. Chairman? I came in late, and maybe this has already been discussed. If we have a request for Ontario cheddar for the United Kingdom, do you think Ontario cheddar for export should come under quota?

Hon. W. Newman: I have always said, and the marketing board has already agreed with me, that we should be given credit for any cheese we can export, whatever it is, as far as quota is concerned. As well as having a redistribution of the whole quota system, I am saying we should get credit for exports. If we can sell 10 million pounds of cheddar to the US, Japan, UK or wherever it is, from this province, then we should get additional quota for it. We are not hurting the Canadian national supply management program at all.

Mr. Belanger: How can you get this message across to the Canadian Dairy Commission?

Hon. W. Newman: We've been trying for a long time. I'm hopeful that in the not-too-distant future when certain things happen, June 4 or whenever it is, we will have an understanding ear.

Mr. Nixon: The province will never recover from the loss of Eugene Whelan.

Mr. Ruston: That's right.

Hon. W. Newman: I'll say this about Gene Whelan—I have said it publicly many times—he is a very fine man. It is just too bad that his cabinet didn't support him

more, or they might be back in power today. They just didn't listen to him.

Mr. Nixon: That's what they are saying about you.

Hon. W. Newman: Is that right? I get cabinet support.

Mr. Nixon: They say everybody likes Bill Newman; it's too bad about his problem with his cabinet colleagues. That remains to be seen. The minister doesn't want to talk about that in detail.

Hon. W. Newman: Oh, yes I do, I'm quite prepared to talk about it in detail if you really want to.

Mr. Nixon: We had a discussion about—

Hon. W. Newman: Where was it, around the edge of your pool, or where?

Mr. Nixon: —the growth of your handout from the Treasurer for a little additional drainage, and a little additional grant. But, with great respect, and I've always been a fan of the minister ever since I saw him fishing in the far northern part of the province; he had certain abilities that were unmatched. I'm not sure they had too much to do with administering agriculture, but I am certainly a fan of his.

Hon. W. Newman: That's an unfair comment.

Mr. Nixon: Time is wasting. Mr. MacDonald, when he started at 8:55 p.m. said he would take seven minutes, and it is now 9:20. He is not responsible for all the elapsed time, of course. I will take just four minutes.

I agree, at least in part, with what the minister and my colleague Mr. McGuigan have said about the role of consumerism in the ministry, but I don't go all the way. It is fine to have consumers present on these marketing boards for certain purposes, and I am cynical enough to suggest to you that it is through them that we, as farmers, or people interested in our industry, should be attempting to educate the rest of the consumers. But the minister's responsibility is to deal with the farmers, in my opinion, not the consumers.

I have felt ever since the minister's predecessor, Mr. Stewart, changed the name of the department as it then was to the Ministry of Agriculture and Food that there might be a dilution in at least the philosophical approach to our primary responsibility; and that's to serve the farmers and see that their return is improved.

Speaking for most of the farmers in my constituency, they are quite well satisfied with the markets. Trudeau used to say th

farmers were never satisfied, and we are pretty good at bringing the inadequacies of the system to public attention, to anybody who will stand still and listen. But, certainly, the farm business seems to be on the move, and I for one think it is moving in a very healthy way indeed.

When we are talking about the consumers, if we can use or persuade the consumers associated with agriculture to ask more or less as an educating vehicle, I think that's a great advantage. We were talking about strawberries; there were a few jokes among my colleagues about the big strawberry crisis. But I will tell you, if we go through a thing such as we did last June, it will really be too bad.

When the federal government announced changes in tariffs and said they were going to reduce the tariffs on imported orange juice and that sort of thing so the price would go down a nickel or so, and were going to increase the tariff on certain products here, I thought finally they were going to do something useful in this connection. But the reductions went into effect immediately, while the increases don't go into effect until next October, unless somebody does something about that.

That is not going to protect our strawberry producers from the competition of the beautiful strawberries that come in from California and Mexico—mostly California. They are beautiful to look at, and maybe I'm prejudiced, but when you bite into them there's a bit of a disappointment; the damn things taste as though they were made out of the same material as the box they come in.

Mr. Ruston: Like sawdust.

Mr. Nixon: Yes. They are well marketed and a lot of the consumers, particularly the ladies in the major urban centres who are now about three generations away from the farm, know that it is canning time. They see this beautiful display of luscious berries and they buy them to make a little jam. While they want to buy locally grown produce they really, even with our best efforts, don't seem to be aware of when the stuff is there.

We were talking about Knob Hill Farms. As I recall, last year the owner—I don't know him as well as the minister does—hired a plane and flew it all over Toronto with a message behind it saying: "Come to Knob Hill and buy strawberries at 25 cents a box." He went out to market local strawberries, they took truckloads of strawberries into Knob Hill Farms and they moved them.

For the minister to use the procedure through Foodland Ontario is commendable,

but somehow or other there has got to be a special spark in this connection. I think the minister is quite capable of giving that spark to the market, whether it's asparagus—and that season is about over—strawberries, cherries, or sweet corn when it comes in. You can always go in and buy six cobs of plastic-wrapped sweet corn, whatever the season; more and more consumers are thinking that's what corn is all about. Or the strawberries that come in, as I've already described.

Somehow or other, somebody has got to break through to the consumers to give them the message that this is a great bargain and it's the kind of quality of food that you can never get in my opinion, from the prepacked, precooled, prepackaged, premarketed, redelivered stuff that comes to us through most of the supermarkets. It's a shame that people will go through months and years and not know what high-quality, local home-grown stuff is all about. We may have more to say about the strawberries as the market progresses.

Talking about apple marketing, I've always thought it was a shame that we've never been able to market a good line of hard cider in this province. Most of the stuff in the liquor stores is imported. What do they call it, Bulmer's Woodpecker Cider or something like that? Anybody who has travelled to England—and the minister travels all over the world in his efforts to sell our produce, to Japan, middle Europe, Italy, everywhere; he and Gene Whelan have been everywhere—and who has tried the cider that's available there, knows it is a great product. It's good for you too.

I've always felt that with the apple capability here—and my friend Mr. McGuigan is an expert in this and many other subjects—we ought to have a good line of high-quality, low-priced hard cider that we can get in the liquor stores or, even better, in the grocery stores, and to move some of this stuff. I really recommend that to the minister and his cabinet colleagues. Maybe the Minister of Consumer and Commercial Relations (Mr. Drea) would listen to a special approach from him in that connection. I've run out of time, but those are a couple of my views in this connection.

Hon. W. Newman: Mr. Chairman, may I comment on a couple of Mr. Nixon's views? You heard what I said in the House today, I guess it was, about how they could drop tariffs overnight and can't bring them back until this fall; as soon as the appropriate ministers are in place, you can be sure I'll be

talking to them, and very quickly, about it. I don't care what their politics are; I'm concerned about the farmers in this province. I want to let you know what I've said to Mr. Whelan in the past; I've said he is a good man, and I'm sure the new minister will be a good man and will understand this too.

I want to deal with a couple of things that you brought up about the consumers. Ontario strawberries are better. I've outlined what we're doing. We've had a good reception in terms of trying to get promotion going on Ontario strawberries. We're doing the work on that because I agree that the ones that come from California, which have a special airpack, are dried and just don't have the flavour that the ones do here in the province of Ontario. We've been through this quite a few times, and I hope that by next October we'll be all sorted out.

Mr. Nixon: Excuse me. They also produce 30 tons an acre in California. It really is phenomenal what they can churn out.

Hon. W. Newman: But do you realize what the Tariff Board has recommended? They have recommended a change from two cents a pound to 10 per cent, which is a good thing. That's the recommendation from the GATT negotiations.

Mr. Riddell: One minute you're condemning them and the next minute you say they're doing a good job.

Hon. W. Newman: Who's doing a good job?

Mr. Nixon: Gene.

Hon. W. Newman: No, I'm not saying that at all I'm just saying they didn't do a damned thing.

If you want to talk about the GATT negotiations, who started them off? Who made the first speech about them? Who got everybody on board? Who went down to Ottawa to see them? Who had to go to Geneva before we could get a meeting in Ottawa with the appropriate ministers? Who had to do all of that? Tell me?

Mr. Martel: Who?

Hon. W. Newman: I'll tell you who had to do it. I did. They were playing games because they didn't want to listen to farmers—not Gene Whelan, but the others; they didn't want to listen to farmers.

Mr. McGuigan: The Canadian Horticultural Council.

Hon. W. Newman: Yes, the horticultural council and everybody else; the Ontario Federation of Agriculture and everybody else was very helpful on the whole situation.

I think we've finally made some progress—not as much as we should have made, because we don't know what other tradeoffs have been made, and we probably won't know for some time.

[9:30]

But I just want to point out to you that I'm very much aware of what you're saying, that the consumers of this province must be made aware. That's the whole idea. Maybe one of the major thrusts of reorganizing the marketing part of my ministry is that, yes, my primary obligation is to the producer. Mr. MacDonald will maybe not agree with that, but it is. But we also have an obligation to sell to the other 95 per cent of the people of this province as well as ourselves who are farmers and consumers. We've got to tell them the story. We have these little booklets, Foodland Ontario—A Program To Keep Ontario's Food and Agriculture Industry Strong. I don't know when they came out, or how long ago, but it's got my name on it so it can't be too long ago.

Mr. Nixon: What's that going to do?

Hon. W. Newman: What's that going to do? That's going to allow you or any other group around this province to tell a little story about Foodland Ontario. Do you want some?

Mr. Nixon: Yes.

Hon. W. Newman: Oh, sure, by all means.

Mr. Nixon: We don't want to sell Foodland Ontario.

Hon. W. Newman: You don't want to sell Foodland Ontario?

Mr. Nixon: No, what's that? We want to sell the produce. Has it got William G. Davis's name on it too?

Hon. W. Newman: I don't think so.

Mr. Nixon: But what are you selling? There's a nice picture on the front. You can sell Foodland Ontario; we want Foodland Ontario to sell strawberries.

Hon. W. Newman: That's right, and Foodland Ontario will help to sell strawberries, but it takes a co-operative effort with all the people involved. You can sit back and say you don't want to see this.

Mr. Nixon: I do, I asked you for it.

Hon. W. Newman: Oh, fine. I'll send some around. Pass them out in your riding to your consumer people. Everybody else is welcome to them.

Mr. Nixon: If it's got a full-page picture of the minister, forget it.

Hon. W. Newman: I don't even think there is. I haven't even looked at it myself, don't think there is. There's a message in from me, that's all, but they wouldn't dare put my picture in it. Okay? Pass them around.

Mr. Martel: If that was Leo Bernier he'd have a picture on every page.

Hon. W. Newman: One of the things that coming out of all of these discussions in estimates, and we may kid about it, is that we are beginning to get the message across to the consumers of this province that we do grow good, wholesome food in Ontario and the consumers of this province want to try it.

Mr. Nixon: There's not a damn strawberry in this booklet either.

Hon. W. Newman: I think the last point you raised was about selling applejack. Was it applejack?

Mr. Nixon: That's a better name.

Hon. W. Newman: Applejack. You're too young to remember what applejack is all about but I do. It goes back a long time. I would have to be done under certain circumstances in order to sell it. As for the booklet, the strawberries are on the cover. Give a look at them. You can make strawberry wine or whatever you like, but as far as apples and other things are concerned, we are doing a lot of experimental work.

Mr. J. A. Taylor: How come my copy has a picture of Bob Nixon on the front?

Hon. W. Newman: We're doing a lot of experimental work not only with grapes but with other products.

Mr. Nixon: Would you cash a cheque with the signature on it?

Hon. W. Newman: Just because I don't write very well, fellows, don't get excited.

Anyway, talking about selling apple cider in the liquor stores or the wine stores or grocery stores is a matter we can talk at great length about, but I don't intend to get into that tonight because that is really the Minister of Consumer and Commercial Relations' (Mr. Drea) department and we have had some discussions about it.

Mr. Riddell: I was going to ask the minister what the latest development was in connection with the pullet growers, but I understood there has been absolutely nothing done since we brought it up the last time. A meeting has been postponed until June 11 and, in the meantime, many of the egg producers are going ahead and putting up additional facilities.

Hon. W. Newman: Can I say this? I do know—and I can't tell you the details of it because it would be unfair—the egg producers have put together a proposal. They have put together a proposal to put to the pullet producers. They're working on it. I was prepared to meet last Wednesday, but I think, for a very legitimate reason they put it off, so on June 11 we will be meeting with them. They will both be putting forward official position papers.

Mr. Riddell: Have the pullet growers got those proposals in their hands now?

Hon. W. Newman: No, they don't have the proposals because the egg board has got its own proposal.

Mr. Riddell: But, have the pullet growers had a look at the egg marketing board proposals?

Hon. W. Newman: No, I don't think so, but they certainly will at the meeting and I will be there.

Mr. Riddell: The other point I wanted to mention was one I asked you a question about in the House, as to whether you could solicit some support from the Attorney General (Mr. McMurtry) to try to get these examinations for discovery started in connection with the 1977 bean crop. Where does that thing stand at the present time?

Hon. W. Newman: I have to be quite honest with you. They were trying to get them all together at one time and it was almost impossible. I got a long letter from the Attorney General about two days ago. I don't know whether we've got a copy here or not, but we will see that you get a copy of that letter. I have just forgotten the details. It was about two pages long and it came in yesterday. I did follow through at that point in time when you asked that question. I had better ask the lawyers, but is it all right to release that letter?

Interjection.

Hon. W. Newman: I have seen it and it looks as though it is going to move forward now, but there was some idea of trying to get the various examinations for discovery all together at one time to save everybody a lot of problems, and there was a problem. We'll see that you get a copy of the letter, Mr. Chairman.

Mr. J. A. Taylor: If you don't have the letter, Mr. Minister, do you have an interpretation of it?

Hon. W. Newman: I don't understand lawyers very well.

Mr. Riddell: That's fine. Thank you.

Mr. Gaunt: Mr. Chairman, I'll be very brief. I just wanted to ask a couple of questions about the brucellosis control program. I've had a couple of examples where young farmers have had to completely depopulate, they've had to clean out their entire herds, and they simply can't afford to get back.

I realize the rates have now increased as of March 31 this year and the rates are satisfactory under the new scheme, but those people who depopulated prior to March 31 have a real problem, particularly if they hadn't had a chance to build up equity and to be in business for a number of years. The long and short of it is that in the two cases I'm citing they were young farmers, and the one chap is trying to maintain his farm and working for another farmer in order to keep going. The other one has gone into beef cattle and he simply can't afford to buy any dairy cows.

I'm wondering if there is any consideration being given by the ministry to assist these people, those who would qualify on the basis of the lower indemnity payments and also on the basis of, perhaps, age. I'm wondering if there couldn't be an interim program to bridge that obvious gap.

Hon. W. Newman: I certainly appreciate what you're talking about because I've had some very sad letters cross my desk, because of the tightening down. In the program we co-operated with the feds and we've taken the herds from 900 or 1,000 down to 154 quarantine herds. So the program is working. There have been some people hurt, there's no doubt about it, and there is, as you know, federal compensation, which was raised last year, and so on. I know that it created problems for many people, although the milk marketing board, I would assume in this particular case, has been very lenient about the whole thing. You know the new rates and—

Mr. Gaunt: Yes, we know the new rates.

Hon. W. Newman: —what you're concerned about now is the replacement value. It's pretty hard for me to suggest an answer except for the young farmer loan program or the farm credit corporation or some program such as that. We would be glad to arrange for our people to sit down and talk to these young people.

I know many people who have been severely hurt on this. As you know, we've got legislation before the House now on compensation at the provincial level, both municipal for dogs and our own for wolves and bears. We propose to do it by regulation because it's so awkward when each time you want

to change it it has to be done by legislation. Those two bills, hopefully, will be coming forward next week so we can do it by regulation because we feel that our figures are too low right now. It's a tough thing. All we can do is go in and counsel and guide any particular individual. We have the experts there to do it. I don't know how much credit they've got or how much in debt they are.

Brucellosis in Ontario had got to the point where something really drastic had to be done. We as a province work very carefully with the feds. It is really a federal program but we have co-operated with them. We've let them use our lab. We feel that eradication is a good idea. We still go along with vaccination—don't get me wrong—but we would like to see eradication.

We've made a bit of a switch over the last two years in where we're going to. We have switched around to some degree to go for total eradication. If young farmers have particular problems, we would be glad to have our people talk to them. I get letters coming across my desk indicating they have literally lost their whole herd. Although the compensation rates have gone up, I know what it costs to buy a cow. If you look at my scars, you'll see I've been treating a couple at home, so I know the cost of replacement is very high.

Mr. Gaunt: I have two quick questions on another topic, if I may, Mr. Chairman. Under the code of practice, is it possible to build new silos? Do they come under the code of practice?

Hon. W. Newman: Do you mean in the new farm productivity program?

Mr. Gaunt: No, the code of practice where a farmer cannot build a manure tank because it's too close to a town. Can they build a silo without a permit?

Hon. W. Newman: We discussed the whole code of practice when we first started the estimates. It is under review. The committee is now meeting. The Ontario Federation of Agriculture, the Ministry of the Environment and my own ministry are meeting.

You are asking if somebody can build a silo on the farm today and still get a certificate of compliance? It depends where it is and what the circumstances are.

Mr. Gaunt: My point is do silos come under the code of practice? You're telling me they do.

Mr. Riddell: Say you don't know.

Hon. W. Newman: I'm not sure. They may not per se.

Mr. Gaunt: That's what I wanted.

Hon. W. Newman: We talked about the IDS formula, the minimum distance formula, which might have a bearing, but each individual case would be different. If you now somebody who wants to build a silo and can't, we would be glad to try to help you with it.

Mr. Gaunt: What happens in the case of fire? The barn burns and the farm is not sufficient distance from a village or town or whatever. Can they rebuild?

Hon. W. Newman: I can give you an example. My neighbour got burned out about four weeks ago and they're going to let him rebuild it. That's the only example I can give you.

Mr. Gaunt: They are going to let him rebuild?

Hon. W. Newman: Yes, they are. He's going to rebuild.

Mr. Gaunt: Does it matter about his politics?

Hon. W. Newman: He used to be the Liberal organizer in the area but he and I are good friends now.

Mr. Gaunt: Thanks, Mr. Chairman, for your indulgence.

Items 1 to 3, inclusive, agreed to.

Vote 1904 agreed to.

On vote 1905, agricultural education and research.

Items 1 to 4, inclusive, agreed to.

Vote 1905 agreed to.

Mr. Chairman: This completes the estimates of the Ministry of Agriculture and Food.

The committee moved to other business.

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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of the Environment

Third Session, 31st Parliament

Tuesday, October 16, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 16, 1979

The committee met at 8:09 p.m. in room 8.

ESTIMATES, MINISTRY OF THE ENVIRONMENT

Mr. Chairman: I see a quorum. The meeting will come to order. Generally, we start with the minister having the first word and making any statement he cares to.

Ms. Bryden: On a point of procedure, could we consider a proposal for dividing up the time, the 18 hours allotted for the Environment estimates? I don't think it'll take very long and I have a proposal to put before the committee. I think it is desirable to have the preliminary agreement on how much time we're going to devote to each vote so that we don't spend the entire 18 hours on one item.

Hon. Mr. Parrott: I'd support that.

Mr. Gaunt: I certainly would too. I think it's a good idea.

Ms. Bryden: I don't know whether they have been distributed to everybody or not, but I brought down some copies as a proposal.

Mr. Gaunt: They're in favour of it anyway.

Mr. Chairman: They're being circulated. The minister is satisfied and I presume all members are. We'll let the minister lead off.

Hon. Mr. Parrott: Before I go to my prepared text, just very briefly, I'm wondering if tomorrow we could continue with estimates rather than the bill. Quite frankly, Dr. Harris was on holidays and I haven't had an opportunity to redraft the legislation yet. I'm a little pressured for that. I'm wondering if perhaps we could do it at the end of estimates.

Mr. Gaunt: That's agreeable to us. I agree.

Hon. Mr. Parrott: Since you're in such a good mood now, I had also committed myself to speak tomorrow to the chemical protesters at 12:30 at the Prince Hotel. I'm more than prepared to come at 9:30 tomorrow morning, if that could be arranged or maybe I'd like to carry on without my presence for the half hour just before adjournment at 12 o'clock to 12:30. I think I could

make it in 15 minutes, but that's a bit tight for me.

Mr. Chairman: Has any member any objection to meeting at 9:30 tomorrow in order to finish at 12?

Hon. Mr. Parrott: Or without me.

Mr. Gaunt: The preference from my standpoint would be to have the minister here. I would rather begin at 9:30 than go half an hour without the minister. He's a very important part of this whole operation.

Mr. Chairman: It's agreed then that we'll begin tomorrow morning at 9:30.

Hon. Mr. Parrott: It's hardly new to be in front of this committee. It seems we've been here all year. Nevertheless, it's a pleasure to start our estimates this evening. I have just one final word before I go to the printed text. It's also a pleasure and honour to have a former Minister of the Environment with us this evening. Mr. Newman, I am a little more nervous because of your presence, but if you'll be kind to me I'd appreciate it.

Mr. W. Newman: You shouldn't be. You are doing a good job.

Mr. Mancini: It's the same old stuff anyway.

Hon. Mr. Parrott: You're kind already. Thank you. It's nice to have you here. I'm sure we'll benefit a great deal from your expertise. I'm quite serious in saying that I hope you will enter in the debate, as I know you have a tremendous knowledge of the subject.

I am very pleased to present for your review the 1980-81 estimates for the Ministry of the Environment.

Mr. Gaunt: I thought it was 1979-1980.

Hon. Mr. Parrott: Yes, we're doing 1979-80. You are right. We're getting towards the end of that year, aren't we?

We have provided an information book on these estimates which explains each of the activities you will be reviewing. Before we open this book, I'd like to spend some time discussing developments which aren't readily apparent in your briefing book. This is a key year for Environment Ontario. In many ways, it is a major turning point in terms of the things we do and the way we do them.

I believe that there is a new and favourable climate for environmental protection and management in this province, a climate which has developed as a result of several factors. The public is more aware of environmental issues. Complementary to this, I believe we have a high level of public understanding of environmental issues. People are less susceptible to panic at the first cry of wolf. They are more prepared to consider reasonably the facts and the alternatives open to their government.

[8:15]

I decided early that my ministry would and must pursue a more open-door, open-book policy and we have made every effort to do so. I believe that the ministry must have a clearly defined commitment of service to the people of Ontario. We are directing our activities to providing the public with this: (a) a clear understanding of the criteria by which environmental quality is measured; (b) an ongoing program of consistent, firm enforcement in abatement for pollution; (c) a full and detailed explanation of the essential environmental issues.

Our criteria have been developed over the years in response to the best available scientific information on contaminants and their various potential effects. While health effects are key considerations, there are other environmental effects which must be taken into account. Inevitably, we have found here, as in other jurisdictions, that the continuing progress of developing and revising criteria has led to a steady increase in complexity.

We are in the process of rationalizing our criteria for environmental quality so they can be more directly related to our objectives and more compatible with the objectives of other jurisdictions and, as an ultimate objective, more easily understood and accepted by the public and by those to whom they directly apply.

In terms of enforcement, we have improved our monitoring and surveillance programs and we are also taking a much harder line in prosecutions.

With regard to control orders, I require a public meeting in almost all cases when an industry requests an extension. At this meeting, the applicant can present the justification for the extension requested and do so in a public forum. The presentation and public response at the meeting serves as a guide to the ministry. I don't believe in changing an order for anyone who is not prepared to justify it to the community as well as to the ministry.

This policy is also contributing to a better and more detailed public understanding of

community environmental issues. On a broader scale, we are taking a more aggressive approach to provide the public with adequate information on today's complex environmental challenges.

We have delivered the facts on a broad front—in the Legislature, in the committee through the media and in public forums. I don't believe that we have ever seen such a full exposure of complex issues to the public and public discussion serves us well in developing a better understanding and acceptance of deliberate and reasoned action programs.

A word or two about the Great Lakes. The value of international co-operation in dealing with environmental issues is apparent in the progress which has been made in the cleanup of the Great Lakes under the International Joint Commission. Our commitment to restoring and preserving the water quality in the lakes is a major priority. We are applying new resources to the program of hazardous contaminants discharged to the Great Lakes, an issue which is the subject of extensive research.

The results of the Great Lakes program under the IJC indicates that the commission has an effective role to play in finding an ultimate solution to the threat from acid precipitation. We are lending full support to increased activity by the commission.

I am pleased to report progress on acquiring equipment and staff for the special facilities which are being constructed at our Downsview laboratory. These facilities will enable us to detect trace amounts of highly toxic dioxin in fish.

Last April there was fragmentary and inconclusive evidence that dioxin was present in some fish taken from Lake Ontario. Although there was no evidence of danger to human health, we nevertheless took additional samples for tests in American laboratories equipped to handle them. Recently it was confirmed in the tests that some parts per trillion were found in the specimens. Our scientists continue to meet with federal scientists in Ottawa and in Albany, New York, to share information and lab facilities. On Friday this week scientists from Dow Chemical Company in Michigan will visit our labs to share their research results.

My ministry has set aside about \$200,000 to complete the work at Downsview. I am assured Ontario will have its own capability to test for dioxin in the next few months.

On essential services, as you know, the ministry is shifting its emphasis and priorities in one of the most basic areas of activity. We are changing the emphasis on our role

s a builder of pipes and plants to concentrate on the more urgent priorities which face us today.

As things stand now, the ministry owns and operates about one-third of the water and sewage treatment facilities in Ontario. We recover operating and capital costs, apart from provincial subsidies, through a variety of agreements with municipalities.

For new facilities we have established a new grant system which places more responsibility for development of services on the municipalities, and I suggest to you that's where it belongs. In future, the ministry will provide incentive rather than take the main initiative. However, we are not abandoning smaller communities which have a very real need for continuing provincial involvement.

You will notice in your books a section headed Waste Management, which includes source recovery. This consolidation reflects the broader scope of this program. Waste management better describes our program, source resources recovery, while a desirable goal, will never provide a total solution to the challenges of solid and liquid wastes. In waste management, we entered the year making steady progress towards getting 75 per cent of gallonage sales of carbonated soft drinks into refillable containers. This summer, when the proportion was 71 per cent, the federal government, for safety reasons, ruled that the 1.5-litre refillable bottle must be removed from the market. While safety considerations are important, this container held out 20 per cent of the market. The federal decision was a setback to Ontario's environmental program.

We gave the industry interim relief by temporarily easing our requirements for display of refillables and permitting temporary use of a one-litre refillable container. These assurances are now concluded and we have urged the industry to continue efforts to meet commitment of 75 per cent refillables by the end of the year. We are continuing our work on plastic and other environmentally acceptable bottles.

The federal government is now considering a new test for other refillable bottles. My officials have had discussions with officials of the federal Ministry of the Environment and have spoken with Consumer and Corporate Affairs Minister Allan Lawrence to ensure that environmental considerations as well as safety factors are taken into account in any further measures.

I have expressed my concern especially about any action which might affect the one-litre bottle, which is the major re-

fillable now on the market, and I hope that if any further action is required for safety reasons the federal government will develop a phased program to avoid serious disruption both to the industry and to the interests of waste management.

On industrial waste management, the most vital and significant area of change this year is liquid industrial wastes.

The extent of our efforts to bring this situation under control was made apparent in October 1978. I tabled the seven-point action plan for liquid industrial wastes before the standing committee on resources development. This outlined our objectives: facility development; interim measures including waste guidelines and storage facilities; waybill improvements; wastes classification; regulation development; perpetual care review; and transboundary movement of wastes.

As we began this fiscal year, a number of initiatives were underway as part of our implementation of this action program. I'll summarize them briefly:

1. A new waybill was implemented to better control and monitor the movement of liquid industrial wastes.

2. This incorporates a waste classification system which assists industry in proper handling and disposal of various wastes.

3. Guidelines were issued to industry for handling, storage, testing and disposal.

4. M. M. Dillon Limited was retained to recommend interim storage facilities for PCB wastes.

5. James F. MacLaren Limited was commissioned to recommend a long-term plan for liquid industrial waste management, including appropriate sites and technologies.

This year, my own investigation and research by my deputy minister and staff have led us to consider initiatives in the US, Germany, Denmark, England and France. We have gathered information on their experience in developing and operating waste systems. The insight we have gained is valuable in designing our own programs.

A very brief but I think absolutely warranted interjection, if I might, here: I want to say that during this year and two or three months that I've had the pleasure of working in the ministry I have come to understand and to know the staff. Many of them are here this evening. Quite frankly, I find them a very dedicated group of civil servants and their efforts are very much appreciated.

I have also set out some fundamental policies in industrial waste management and the development of required facilities. I made it clear that the direct disposal of untreated liquid industrial waste into landfill sites

would be banned and I challenged industry to come up with alternative facilities.

By June, industry had not met this challenge, so I requested companies to submit proposals for solidification facilities to meet our disposal needs until our long-term plan was in place. We have received a number of proposals, more than we require to meet our needs. In fact, some of the proposals go far beyond solidification, and that I find encouraging.

The region of Durham, as you know, has proposed to convert the Ajax sewage treatment plant into a long-term industrial waste treatment facility. We are providing an incentive of \$170,000 to cover the cost of engineering.

We have met with representatives of the industrial waste management industry, including the five sponsors of these solidification proposals. They suggested—and I underline "they"—we select two proposals. They feel this will be adequate for the present volume of suitable wastes generated in this province and economically viable as well. In the next two weeks, I will announce these proposals and their sites and the sponsors will complete environmental assessment documents by January 31. I might add I am pleased with the responsible and co-operative approach the industry is taking.

We will proceed through environmental assessment with these proposals and absorb assessment and hearing costs up to \$100,000 for proposals which are not approved. The successful applicant or applicants will, of course, proceed to development and recover costs through normal business.

This is a twofold incentive. It encourages the industry to take positive action and it ensures full assessment of the environmental implications of these proposals. Again this is consistent with my philosophy that industry is primarily responsible for the development and operation of proper facilities. Our role is to provide incentive and ensure environmental protection.

In addition to the short-term solidification facilities I mentioned earlier, M. M. Dillon Limited's recommendations for interim PCB storage should be available in the next couple of weeks. We will be scheduling a broad public information program on the alternatives, their environmental, social and economic implications and their relative feasibility. This is in keeping with my policy to develop a clear public understanding of the issues we face in environmental management.

I am tabling for you today two other major studies dealing with long-term solutions—the interim report of our perpetual care task force and the phase one report on treatment and disposal facilities completed by James F. MacLaren Limited. Copies of these reports will be available to concerned industries and municipalities and to the public.

[8:30]

A comprehensive site identification study has been under way to identify and locate old disposal sites both for municipal and industrial wastes. The results of this research should be in our hands this month and we can proceed with further investigations of any sites which may require monitoring or our remedial measures.

Perpetual care: The interim report on perpetual care recommends basic measures required for long-term safety of disposal sites. It outlines the funding and regulatory needs to provide full environmental protection to satisfy liability for damages and meet emergencies both during the operation of a waste management site and after it closes. This has been circulated selectively for comment to industry, government, environmental and other groups. I hope the broader circulation from tabling the interim report today will encourage constructive contributions to our perpetual care program.

Long-term waste treatment and disposal: The phase one report in the MacLaren study identifies 17 areas in the province as potential sites for waste treatment and disposal facilities, two of which are less desirable because of current agricultural use. It recommends that the ministry continue development of a comprehensive waste management plan incorporating these facilities at one or more sites: rotary-kiln and suspension-burning furnaces; physical chemical treatment facilities; chemical fixation of appropriate inorganic wastes; and secure landfill or storage.

The report also highlights the need for collection and transfer facilities, especially to serve northern Ontario.

Significantly, the study makes a point of recommending that we continue our policy of full communication with the public as an essential ingredient of successful development. I hope this report tabled today will generate a high level of public interest and involvement in the long-term solutions for liquid industrial wastes.

Landfilling of liquid industrial wastes: There is a very real need for public information on waste management as a major facet in a decision which I have made reluctantly.

which I am announcing today. Two of my own basic principles are in conflict here.

On the one hand, I believe the direct land disposal of untreated liquid industrial wastes must be stopped. On the other hand, alternative treatment and disposal facilities are essential before the cutoff can be implemented. I firmly believe that the solidification proposal and other methods now being considered must be reviewed fully and publicly. Public disclosure of all the relevant facts is essential.

In brief, I believe I have no alternative but to delay the ban on land disposal of untreated liquid industrial wastes. Quite simply, I cannot and will not take shortcuts in developing facilities for the sake of meeting my January 1 deadline.

It might be more politically acceptable for me to save face by insisting on keeping to my target of January 1, 1980. To do so, however, would not be realistic or in the public interest. I set a difficult target that cannot be met without sacrificing the right of the public to participate fully in the assessment of this important program.

To ensure environmental protection in the meantime, we are reviewing the sites known to be receiving industrial wastes. Not only that, we are ensuring that extreme vigilance be exercised in monitoring activities in and around these sites.

This review will close immediately any of the sites that should no longer receive liquid wastes; restrict the types of wastes now received at certain approved sites; dictate additional monitoring and surveillance at the sites; direct companies to dispose of their wastes at the appropriate sites.

Assessment and review: Throughout my introductory remarks on industrial wastes, I have tried to stress two points: first, that the facilities to store, treat and dispose of these wastes get the benefit of thorough environmental review and, secondly, that we are determined to provide a better knowledge and understanding to the people involved and affected by and served by these facilities. I said earlier that we have developed a thoroughly responsive public attitude towards environmental management. As we continue our program to deal with liquid industrial wastes, we will make every effort to maintain this public attitude. We are providing easier access to environmental information and actively presenting detailed technical facts on these proposals. We expect the industries involved to do the same. In other words, we intend to provide full communication so that residents know what we are doing and can present informed opinion at

conceptual stages. I hope in this way we will encourage positive and constructive attitudes towards liquid industrial waste programs.

Turning now to a favourite study of recent date, I would like to address the problem of acidic precipitation at some length. I believe that in the estimates before you and from our anticipated expenditures on acidic precipitation you will see a deliberate and reasoned program of research and action.

When I tabled the Canada-US report yesterday, I pointed out that the report itself said that it is preliminary and is only an introduction to the problem, not the final word. Let me first say that the report is a valuable contribution to the discussion of the acidic precipitation problem, one aspect of long-range transport of contaminants. Our scientific staff is aware of much of the work discussed in the report and we agree with many of the methods of investigation covered in the report's research discussions. The report must be considered in context as its complexities can lead to serious misunderstandings and cause the untrained reader to reach false conclusions.

Indeed, some statements yesterday suggested the report established substantial differences between it and the work done by Ministry of the Environment scientists and subsequently reported to the standing committee on resources development. This difference seemed to focus on the assessment of which jurisdiction is most responsible for Ontario's problems with acidic precipitation.

Before addressing that point, let me make it clear that the long-range transport problem is an international problem for which all jurisdictions share some responsibility. Both Canadian and US sources must be controlled if Ontario's threatened areas are to be protected. Ontario is taking and must continue to take abatement action in concert with others. Ontario cannot act by itself and solve Ontario's acidic precipitation problems.

It is important to understand why this is so and to separate its significance from any suggestion that we as a province are trying to escape our own responsibilities by engaging in a blame game when co-operative action is required.

I would now like to discuss some specific statements made in the Canada-US report and made earlier by the ministry. What I believe you will see is that one must be very careful in making simple numerical comparisons of various people's work in such a complex issue.

Earlier this year we reported on an experimental study we had conducted in one geographical area—Haliburton-Muskoka. By

analysing the rainfall for each precipitation event and analysing the air trajectories for each of those events, we concluded that 80 per cent of the time the measured acidity was found to be associated with winds from the southerly quadrant.

Let us examine what these data do and do not say. They are data which apply to only one very crucial and susceptible area of the province, not the entire area of eastern Canada. We have no data at the present time to relate acidity in precipitation all over the province, and we have never implied that this 80:20 ratio applied to anywhere else but the area studied.

It is entirely possible that in other areas of the province the association of acidity with any wind direction will be different. This is why we are going to conduct precipitation monitoring all over the province in the APIOS study. These data have been discussed with federal government scientists and they are in agreement with the interpretation I have just given. My staff also agree that generalizing these data is incorrect and misleading.

A second area of current discussion involves several figures mentioned in the Canada-US report. Before I mention any of these figures, I would like to define briefly the terms to which these figures refer and discuss their limitations. The terms and definitions are as follows:

Atmospheric emissions: Atmospheric emissions only state the amount of material emitted into the atmosphere. They do not tell one anything about where these materials go, or where and in what form they come down. Emissions vary from season to season, and from year to year. They can be expressed in several different ways. For instance, "tons of sulphur dioxide" is a different figure from "tons of sulphur," but these two figures can both be used to express output from the same plant.

Atmospheric flux: Atmospheric flux is defined as the amount of material crossing a vertical area per unit of time. Therefore, a flux can only indicate that pollutants are moving from one area to another. This flux does not tell one where, and in what form material comes down. Again, one can discuss a figure of "tons of sulphur," which is different from "tons of sulphur dioxide" or sulphate."

Atmospheric deposition: Atmospheric deposition is defined as the amount of material deposited on an area of ground or water per unit of time. Deposition is more relevant to assessing potential damage to ecosystems; but even here it is necessary to document carefully what form the material is deposited in,

what time of year the deposition is occurring and, most important, the specific geographic locations where the material comes down.

For example, sulphur deposition can occur as gaseous sulphur dioxide, or as nonacidic sulphate particulate, sulphuric acid aerosol, or as sulphuric acid in rainwater. Each kind of deposition can have a different impact on the surface.

I don't know whether all members of the committee have followed those last two pages or not, but if you have that's great; if you haven't, I can sympathize as they are no easy to read and not easy to comprehend. That's why I have been saying it is a complex issue.

The Canada-US report discussed these three topics in order to demonstrate that the long-range transportation problem is international in nature, and to make a first attempt at characterizing the problem.

Regarding deposition, the Canada-US report estimated the total sulphur deposited in very large geographic areas by using models. However, the form of the deposition was not discussed, and this is critical in assessing whether crops are damaged or lakes acidified.

The discussion in the report is based on models which are in the development stage as the report points out. The emission inventories used in models are usually several years old, and include only the largest sources.

The numerical methods of simulating atmospheric transport are undergoing improvement. But at present the models must take simplifying assumptions in order to be—

Would you please read that for me, Murray? I want to know whether you are following this.

Mr. Gaunt: Computationally workable.

Hon. Mr. Parrott: Well, if I had as good teeth as you, I would be able to say that too. Thank you.

Many of the input parameters to the models are in the process of being measured. New values are employed in the models as they are determined.

Finally, model predictions are just now being validated; that is the predictions are being checked against actual field data from new networks of monitors which are being set up all over North America. All of these limitations make models somewhat uncertain in their use, but it is generally accepted that they are a valuable tool in characterizing the larger features of long-range transport.

Models will also be necessary to test the efficacy of the abatement strategies which will be developed.

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One of the models currently in use was applied over two monthly periods to estimate the deposition of sulphur for larger geographical regions.

The distribution of sulphur deposition within the region was not discussed in the report. If a large amount of deposition is occurring in a nonsensitive area, this is much less serious than that deposition occurring in a sensitive region. In addition, the seasonal variations were addressed only briefly because of limited data; however, these variations are important in assessing damage.

The current models have not yet incorporated the impact of nitrogen compounds, but it is acknowledged in the report and in the international scientific community that nitrogen compounds play a significant role in acid precipitation. Scientists all over North America are currently enlarging their experimental studies and monitoring in an effort to understand the complex nitrogen chemistry which transforms gases such as nitrogen oxide and ammonia into species which affect the acidity of precipitation. It is expected that it will be several years before the role of nitrogen is understood as well as that of sulphur.

The deposition numbers as they stand in the report are, therefore, useful in beginning to define the problem. However, they do not, and should not, be regarded as final information.

The implications of the deposition discussion are serious, and we agree that, in certain areas of Canada, Ontario sources may be significant contributors to pollution. But we also agree with the international scientific community and federal government scientists that we are only beginning to understand the complex meteorological and chemical processes that lead to environmental damage from long-range transport.

For this reason, Ontario, the federal government and the US are undertaking large programs to measure wet and dry deposition at many locations for all forms of sulphur and nitrogen compounds. Many scientists at these agencies are also working on sophisticated mathematical modelling techniques which, when developed, will more fully enable scientists to predict all the forms of deposition over very specific geographical areas for different seasons.

Until these studies, and others involving effects on plants, soils and lakes, have been completed, preliminary discussions such as those contained in the Canada-US report could only be regarded as qualitative. The report states that it is designed to introduce

people to a very complex problem, and it suggests a framework for effective joint action.

I would now like to turn to the section of the Canada-US report discussing the effect of acid precipitation on crops and forests.

Our scientists have been continually reviewing documented literature and are in contact with other world scientists on the subject of terrestrial effects. We agree that acidic precipitation has the potential to cause widespread effects on forests and crops in the future. At the present time there is no hard evidence that current levels of acidic precipitation on a regional scale are having any significant effects on natural vegetation.

The research mentioned in the Canada-US report refers entirely to experiments conducted in the laboratory and in the field under controlled conditions, utilizing simulated acid rain with a pH of 3.4 or less. These studies have demonstrated a number of deleterious effects on vegetation, such as cuticular abrasions, leaching of nutrients from foliage, visible foliar lesions and effects on nitrogen fixation. However, current ambient acidic precipitation has a lower acidity than that used in the experiments and it is not expected that any short-term effects on terrestrial systems would be demonstrable.

The Ministry of the Environment is aware of the potential threat that acidic precipitation poses to terrestrial ecosystems, and our Air Pollution in Ontario Study program includes a program of monitoring, surveillance and experimentation the better to define the situation in Ontario.

In discussing these particular topics, I believe you will agree that the problem of long-range transport and acidic precipitation is complex and that oversimplification of preliminary results by individuals can only misinform and mislead the public.

The scientific communities in North America and Europe are working co-operatively to address the issues at hand. Our provincial program of approximately \$2 million is closely tied in to the federal and US programs. In the US, intensive studies are under way to assess the problem and these studies are being co-ordinated among various government agencies and industrial groups. This effort will continue into the early 1980s.

We in the ministry are deeply committed to arriving at a comprehensive and intelligent assessment of the impact of long-range transport as it relates to acidic precipitation, but we believe that abatement action cannot be considered until the relationship of source and effects is understood.

Action will be taken in concert with other provinces and with the US.

In the meantime, we are studying possible abatement strategies in order to be in a position to weigh the efficiency of various abatement strategies against the actual problem. The cost of such abatement actions runs into billions of dollars and must not be entered into lightly on the basis of preliminary evidence.

I have taken this opportunity to explain in some detail some of our results in comparison to those in the Canada-US report and you have seen that the work is not contradictory. At least I hope you have seen that. It was a very difficult, complex issue to try to enunciate here and if I have had an education in the last year it has been on this particular subject. I have read a great deal. I have been briefed by the hour. I think anyone who ventures into this area not fully appreciative of how complex a scientific problem we have at hand, does so at his own risk.

I found that education very interesting. I know this committee found that rather interesting when we were here with our scientists and our discussions, and I think we'll probably have more of it between now and the end of our estimates, because it is a fascinating subject, yet it's a subject of great importance to the people of this province and of this country.

I feel that I must underline the distinction between determining the scientific sources in order to design solutions and the counterproductive practice of engaging in a "blame game."

From the beginning, I have been open with the Legislature and all information has been shared with the members. I will continue this policy, as I believe that acidic precipitation must not become a partisan issue. There is far too much at stake. The process requires openness and co-operation, not only here but in all the forums, be they political or scientific. I trust I have the support of all members in dealing with the serious obstacles which lie ahead.

In conclusion, notwithstanding some real obstacles, I believe that this is a year of real and significant progress. I look forward to discussing the various aspects of our programs with you in detail. After the critics complete their comments, if we could follow the estimates as they are set out in your book—I am so pleased that your motion is broad and does just that—I think it will facilitate our and the staff's answering of questions.

Again, it's a pleasure to be here. I thank you for your indulgence in the reading of this statement. It is by far the longest statement I have had in my four years as a minister, but I think that the situation warranted it, and I thank you very much for your attention.

Mr. Chairman: We will now hear from the official opposition spokesman.

Mr. Gaunt: Thank you, Mr. Chairman. I am tempted to deal with a number of points in the minister's statement. However, I have only half an hour, along with the critic from the NDP, so I think I will have to move it along.

None the less, I did want to make a comment about the minister's statement in his opening address with respect to public meetings involving control orders.

I am pleased to have that statement on the record from the minister. I just want to mention that in the case of the Sturgeon Falls matter, Abitibi, I believe there were public meetings, but I don't believe that many of the environmental groups were invited to those public meetings. I think of people like the Canadian Environmental Law Association, Pollution Probe, the Federation of Ontario Naturalists, the Sierra Club and so on. I think it would have been very helpful to the public, and in the end to the ministry, to have those groups involved in that particular public hearing.

I just suggest to the minister that where this is going to be done as a matter of course I think it would be helpful to invite those people to those public meetings, where control order extensions or control orders are being considered, either altered or extended.

As the minister indicated, it seems that these Environment estimates have never really stopped. It's just one big continuum. We just keep going on, and on, and on here. Ever since the estimates passed last summer it seems as though we have been dealing with environmental matters on a continuous basis.

I think we have made some progress. I am quite prepared to admit that. I am grateful for it. I am grateful for the minister's leadership at times, and his firm stands at times. But I say that we have a long way to go and I think the minister and the ministry would admit that. We have a long way to go, and perhaps it's on that point that I want to lend some emphasis tonight.

I think the committee hearings earlier this year on acid rain, the Inco abatement program, pollution control measures in the pulp and paper industry and specifically the Rec control order, were very useful and educ

onal. The committee's work was very valuable and I just want to deal with that matter's it applies to acid rain for a few moments, because the minister has dealt at some length with the acid rain question.

It is frightening when you see these things in the paper. As we have seen in the last two days, those things have frightening implications. Crops are being reduced, tomatoes, potatoes and garden crops are being affected. The minister made the point tonight that that was in the laboratory. That's true, but none the less it is frightening as to what could be ahead of us if this problem isn't confronted and dealt with right away, within the next number of months and certainly at the very outside within the next number of years.

With regard to the sulphur dioxide and nitrogen oxide emission causing the acid rain problem, I was encouraged to hear that the new federal Environment minister has undertaken to ensure that the Canadian emission control standards are as tough as those in the United States and that our Minister of the Environment has given "a firm undertaking to apply diligently" any new standards agreed between the two countries.

However, I must express my concern that nothing will be done in the interim to tighten current standards and reduce emissions. That was confirmed on page 29 of the minister's statement, where he said: "We believe that immediate action cannot be considered until the relationship of source and effects is understood."

We simply can't afford to sit around and involve ourselves in a lengthy delay, waiting until a treaty or executive agreement is fully negotiated. What is more, rather than just catching up to the US standards we should be urging the US to agree to a rise in standards, given the oil shortage and that country's intention to increase its reliance on oil-fired utilities.

I trust that during the course of these estimates we will have an opportunity to discuss whether the ministry intends to move quickly and I suggest it does that—to enforce significantly stricter emission standards and to change its approach to fight pollution by insisting on the use of the best available technology to contain as much as possible at source, since the traditional approach of building high stacks to disperse and dilute pollutants has proven such a monumental funder.

I was interested in looking over the Great Lakes Water Quality Board's 1978 annual report to the IJC. They say in one place in the report: "No significant reduction in total emissions of air pollutants is foreseen under

current regulatory programs in Canada." That certainly sounds pretty discouraging in the light of what we already know about the problems concerning acid precipitation.

[9:00]

I can't see any reason why we can't do some of the things we were talking about in the report. Why we can't insist that new coal-fired generating plants in this province be equipped with the best available technology? I can't see why we can't suggest that all existing coal-fired generating stations in the province be made to comply with point source removal of SO₂ based on the best available technology. I think that's a pretty straightforward approach if one is really concerned with the problem and is dedicated to cleaning up our own doorstep first. I just can't see why that can't be done.

On top of that, I can't see why the Inco control order cannot be renegotiated, because as we all know Inco is the single largest point source in North America of SO₂ emissions.

I was even more concerned with the following observation made by the water quality board in its report and it says: "The legislation in both countries is limited because it does not explicitly recognize acid precipitation as a problem to be solved by emission control programs."

I hope the minister doesn't agree with that observation. I think that's where it has to be controlled. If you don't control it there, your only option is to control it by some other means such as liming. About a week ago I just happened to witness a film taken in Sweden and some of the other Scandinavian countries with respect to liming. Let me tell you, in my view, it just doesn't work. It is a very minimal solution at the best. They have to do it every year. It is costly. In my view, the only answer to this whole mess is to control the emissions at source. I hope the minister agrees.

Hon. Mr. Parrott: I do.

Mr. Gaunt: I really do. The minister dealt at some length tonight explaining this Canada-US report and what we should take out of it. Admittedly, it's a complicated subject, very complex, and very involved, but I want to say to the minister there has been some confusion. The minister dealt with the 80:20 assessment in his statement, and perhaps that has been misunderstood.

I saw a report in the Environment Ontario Legacy dated December 1978 which says, "Most acid rain starts outside Ontario." Granted, the body of the report deals with Muskoka-Haliburton and talks about that area, and the minister made the point tonight

that the 80:20 really applies to that area, but that headline is misleading. With respect, that's most misleading.

Hon. Mr. Parrott: I don't think I wrote that headline.

Mr. Gaunt: No, I don't think you did either, but the ministry people or your public relations staff or someone did. I don't know who writes this, but I presume someone within your ministry writes this and puts the heading on it. I think that does nothing but confuse the issue. While I recognize it has been confused, I suggest perhaps some of that confusion has emanated out of your own ministry here in the province of Ontario.

On February 5, 1979, the minister, as recorded in Hansard said: "First, if we eliminate every Ontario source of sulphur and nitrogen oxides, it would have virtually no impact on the continuing damage to our lakes. We produce less than three million tons in Ontario as compared to the combined total of 39 million tons in the northeastern United States."

With respect, that statement is not true, particularly in the light of what has been said in the Canada-US report. Obviously, the minister believed that at the time he made the statement, but it simply isn't true.

I quote from an article in today's Toronto Star and it says: "A joint team of scientists studying sulphur dioxide pollution levels in January and August of 1977 found that an average 105,000 tons a month of acid rain pollution produced by industry in Ontario and Quebec fell on Ontario land. By comparison, only 59,000 tons of US pollution drifted north to Canada in an average month. About 29,000 tons blew south to the US from Canadian sources."

I think that given the fact—and I'm prepared to give ground and give credit to the minister for saying that it is a complex and very involved matter, but I think the confusion around it has been fostered and promoted by the ministry itself on this issue, in many respects. I think that some of the statements that have come out, both in committee and publicly and through the ministry's own publications, are somewhat misleading on this count.

I make that comment to the minister in the hope that perhaps we can have more accurate reporting, if I may put it that way, from the ministry on this very important matter.

I have a couple of suggestions I would like to make on this matter. I've already made one with respect to the renegotiating of some of the control orders and cleaning

up our own backyard with respect to our coal-fired generating plants, both new and old.

There is another thing I would like to say to the minister on this matter, and it is this. I think this matter is going to be with us for some time. And I think that it is important for us as a government—you as a ministry and as a government—to get out to the public the most accurate information and the best available information you possibly can.

In that connection, I make the suggestion to you that it would be helpful, I think, for the ministry to develop a documentary on this problem of acid rain and send it around to all of the schools in the province of Ontario. Make it required reading or listening; make it so that the students would have to write an exam on this particular subject. You can do it in conjunction with other subjects. You can involve a few energy matters and throw them in for good measure.

But I think it is important for us, at this crucial time, to sensitize our young people in the classrooms as to urgency of this problem, alert them to the dangers of it and allow some advanced knowledge to be distributed throughout the schools of Ontario to do what I think would be a very important service at this time. I think that young people, if they are acquainted with it, if they become knowledgeable about the facts of acid rain, will then go home and talk about this. In that way, through the filtration process—if you like, osmosis even—I think this information will get out to the public in a much more effective way than we have been doing it in the past few months.

Mr. Wildman: Maybe you should send it to the schools in Washington and Maryland.

Mr. Gaunt: That wouldn't be a bad idea either, only we have really no control over whether they would take them or not.

Mr. G. I. Miller: They should set an example—

Mr. Gaunt: But I think that is a matter

Hon. Mr. Parrott: Mr. Chairman, I'm trying hard not to interject into the Minister's presentation, because he was very solid, and I thank him for it, during his presentation. But if I could make this or interjection.

I've seen two or three things done by our ministry. Wheat harvesting as an illustration. I don't know if it was done when Mr. Newman was minister or not, but quite frankly it was an excellent documentary film.

I accept that suggestion, and it is a good one. We will do it on acid rain. I'm not quite sure I'm going to make it mandatory. I'm not sure you really believe I should, but we will be as persuasive as we can, without asking it to be grade one required reading or listening or something. No, let's not be at all facetious on it. It is a good idea, we accept it, we will do it as we have done with several other items, but we will add that to our list of documentaries.

Mr. Gaunt: I'll leave that one for now, and perhaps we could come back to it later.

There were a number of recommendations made pertaining to government policy in the pollution control in the pulp and paper industry which are contained in the June 1979 interim report that I hope will be met. In particular, I hope the ministry will comply with the request to report to us during these estimates concerning prosecution or implementation of a program of automatic penalties against the five companies currently discharging higher BOD levels than they were in 1970 and the two companies currently discharging more suspended solids than they were in 1970.

Much of the committee's deliberations focused on the matter of access to information and public involvement in the decision-making aspect of a control-order process. The minister has dealt with that tonight in his statement. We heard that the ministry was in the process of developing an internal information policy and I certainly think that is a good idea. I think it is good to release this information. I think it facilitates public understanding and I think that such information could be facilitated, that the release of such information could be facilitated by establishing an indexing and registry system in all district and regional offices.

Last May a report prepared by the deputy commissioner of works for the Metropolitan works committee forecast that at the 1978 rate of land filling, which is expected to increase by 1.5 per cent per year over the next 10 years, the capacity of authorized sites will be filled at that rate by 1987, unless other means of disposal or disposal sites become available. The urgent need to take immediate steps to reduce the amount of waste being disposed of in sanitary land fill dump sites has become so obvious that in his changed capacity as a private member, the former Minister of the Environment brought forward a resolution last spring urging the government to increase its assistance to municipalities and local government authorities so as to encourage alternative methods

of waste disposal, reclamation, recycling, and development of energy from waste.

At that time, I reiterated that the existing provincial financing program for resource recovery projects, essentially a 50 per cent grant with the remaining 50 per cent of the cost amortized over a 40-year period, has been most unsuccessful in drawing municipalities into this field. The much-touted but even more delay-prone "watts from waste" project is a case in point. This particular project is being re-examined, I understand, as a result of technological and cost-sharing difficulties.

A Metro works committee report released last January stated that the chairman of the works committee has made it clear to the minister that in his opinion, under the severe financial restraints in Metro's capital funds, this municipality cannot absorb the increase of almost \$10 million which would be necessary to have the project proceed under the present cost-sharing formula. I understand that a feasibility study has been undertaken for the ministry. I would be very interested to know what the present status of that project is right now.

With respect to the proximity of the government's January 1, 1980, ban on land filling of untreated industrial waste, the minister has dealt with that and that deadline is now out. I just mention that AMO and MLC, through these organizations, made it quite clear they feel there is an urgent need for provincial and federal Environment ministries to pool their technical expertise and resources for the design and construction of facilities at locations least likely to cause hazard to the public, for the safe disposal of liquid and solid toxic wastes.

[9:15]

I understand—and the minister mentioned this tonight—that the ministry has been planning public information and consultation programs as part of the development plan for facilities which will be recommended by both the MacLaren study on long-term facilities and alternative locations and the Dillon study on possible facilities and sites for the interim storage of PCBs. I assume that this will also apply to proposals submitted by the waste management industry. I think the minister made it clear tonight that it would. That was my reading of it at any rate. I just hope these public information and consultation programs will reflect an increased emphasis on and commitment to public access to environmental information.

There is a matter that I want to raise in regard to the tendering business that the minister alluded to. In the Ontario solid

waste management bulletin of September 1979 there was an article indicating that the ministry had a six-week deadline for receiving proposals, which was August 15, 1979, and that it had a number of responses. I think there were seven responses indicated in this particular article which went through the procedure the ministry intended to embark upon in dealing with these proposals. The minister dealt with that tonight.

However, I want to ask the minister at this point why the ministry entertained a proposal from Tricil which came in well after that August 15 date. Perhaps there are good and sufficient reasons. I just want to know them. Tricil's, I understand, is not a solidification process as such. Maybe that is why the ministry feels it can deal with it after the deadline. But if it is not a solidification process, why doesn't the ministry deal with it separately rather than throwing it in with the other proposals which were in prior to the deadline?

It is a little unfair to allow one company to come in after the deadline and receive what appears to be preferential treatment. If its process is different, as I understand it is, then that's fine. Deal with it separately and distinctly, but then deal with these other people who submitted their proposals prior to August 15 and deal with them only in coming up with the solidification process which you consider adequate to do the job.

I understand you are going to pick two. I think there could be some difficulty with patents. There may be a little difficulty with two or three of those companies in so far as patent rights are concerned. They may find themselves in the courts very quickly if they end up getting the contract and then try to implement the process here based on your stamp of approval. That could be a problem, and I alert the minister to it.

Hon. Mr. Parrott: Do you want me to answer that now or later?

Mr. Gaunt: It will go on to my half hour if you answer it now. I would prefer you to answer it later on.

Hon. Mr. Parrott: You'll remind me?

Mr. Gaunt: Yes, I'll remind you.

There is one other matter with which I want to deal and I will try to do so as quickly as I can. It is the matter of toxic wastes, persistent toxics under the revised Canada-US Great Lakes water quality agreement signed last November. I believe this agreement requires various additional programs and measures to meet problems that were not foreseen or that had not been addressed by the earlier agreement. A Min-

istry of the Environment press release issued at that time and the minister in a statement to the Legislature indicated that the province was in the process of renegotiating the Canada-Ontario agreement to take into consideration a new international agreement to focus on toxic substances and pollution of the lakes from land use and atmospheric sources.

As a signatory of the Canada-Ontario Great Lakes water quality agreement, Ontario has an obligation to participate in those additional programs and other measures required to implement the Canada-US agreement. During these estimates we should pursue this matter to ensure that we are indeed undertaking all that which is required to meet the terms of the agreement, especially in view of the fact that the new agreement contains a new and separate annex on persistent toxic substances.

Among other things, it encompasses a recommendation made by the water quality board in 1978 dealing with all jurisdictions with respect to gathering data on persistent toxic substances. Specifically, annex 12 calls for the compilation of an inventory identifying raw materials, processes, products, by-products, waste sources and emissions involving persistent toxic substances together with recommendations on handling, use and disposition.

This inventory is to be completed by January 1982. I would really like to be informed of what work Ontario has done to date on compiling this inventory, what specific programs, if any, have been developed and implemented to gather the quantitative data on these substances and to find out whether the ministry believes that the January 1982 deadline is a realistic completion date.

As a result of having read the 1978 Great Lakes water quality report released last July, I am concerned as to whether we have an analytical capability to implement adequately a toxic substance control program. The report stated that unless jurisdictions took immediate steps to provide both the laboratory equipment and qualified personnel necessary to operate it, the toxic program would be jeopardized.

It seems to me that in the light of the science advisory board's recommendation in their July 1979 report, the dispersal and subsequent potential effects of toxic substances in the Great Lakes should remain one of the highest priority issues in this province. In view of their concern that recent economic conditions in both the United States and Canada may result in political pressures to ease concerned legislation and regulation I

think we should seek assurance from the ministry that Ontario is fulfilling all of its obligations.

I urged the then minister during last year's estimates to take the recommendations of the Great Lakes water quality board seriously and I do so again with this minister. I pointed out that we really do not at present know the sources of many toxic contaminants in Ontario, let alone the amounts. I think I should repeat again unless we have sufficient information on the types and quantity of toxic substances being used in Ontario, we will always be reacting to crises instead of preventing them.

On the subject of doing our part in cleaning up industrial sources and toxic substances, I noticed a report that showed this is part of the IC report—industries in compliance and non-compliance first of all with respect to all the Great Lakes.

Let me take Lake Ontario, for instance, because it has the largest number of industries ordering on it, both in the United States and Ontario. In the Lake Ontario basin we have 18 industries in compliance and 24 not in compliance, for a total of 42. In the United States they have 92 in compliance and 19 in non-compliance, for a total of 111. In other words, their compliance rate is 83 per cent; our compliance rate is 43 per cent. I think that's cause for some considerable concern.

I am concerned with the way toxic and hazardous wastes are being handled in the Great Lakes. I think it is a problem. Our province forms a good part of the basin. I'm concerned when I read in the 1978 water quality board annual report: "There is at this time no effective basin-wide operating plan to cope with the generation, transportation and disposal of hazardous wastes in the Great Lakes basin. Wastes continue to be generated and disposed of by uncontrolled and sometimes disastrous methods."

That's not a very pretty picture and I hope Ontario can do better. I think we can and I think we have to.

In the same report the board goes on to say, "Love Canal in Niagara Falls, New York, is typical of possibly hundreds of similar disposal areas throughout the basin." Again, I think the flag should go up and we should be concerned about that.

The board has even more bad news. It held a workshop on toxic substances in April of this year and invited officials who are responsible for administering toxic waste control programs in their respective agencies. The board found out—and this is in the words of the board—"There is a lack of communication both within and between the various pro-

grams." This has, in effect, resulted in fragmentation and duplication of efforts.

My time has run out. There's just one other brief matter. Last year I questioned some of the Ministry of the Environment officials on the supposed existence of the computerized industrial water-pollution monitoring system. According to the 1975 Great Lakes water quality report this system records data and sampling results submitted by industries and maintains a record of waste loads and plant performance tested against limits set by the ministry. Follow-up action based on a monthly exception report is taken by the ministry operations staff and summaries of data are available by industry classification, body of water and contaminant. Regrettably, it turns out from our discussions that the system had only been operational from time to time. There were errors in the information and there was a lack of manpower and resources to correct those errors, and the whole program seemed to be in some disarray.

Since this kind of information is necessary for an effective toxic and waste control program, I would be very interested to know whether the ministry has now provided the manpower and resources to get this system operational.

I have some more material, but I really must close and I thank the committee for their indulgence.

Mr. Chairman: Thank you, Mr. Gaunt. You're right on the button. You must be following the races or something.

Ms. Bryden: For the fifth time since the Ministry of the Environment was established in 1971 we're facing a new minister for the estimates debate. We're not facing him for the first time. This seems to illustrate the low priority which the government gave to this ministry in the past.

The present minister has held the portfolio for a little over a year but it is almost 18 months since we've had the opportunity to discuss estimates or ask him for an accounting of his stewardship over our environment.

When he was appointed in August 1978 we had high hopes that he would show a greater commitment to the tremendous task of preserving Ontario's environment than his predecessors had shown. Shortly after his appointment, I issued a press release listing a baker's dozen of key issues which awaited his attention. I said that how he dealt with these would be a test of his commitment to protection of our environment.

What progress has he made on these issues? Here is the report card:

1. Clean-up of waterways and air: We still have a long way to go. We have no manda-

tory water standards yet. While I recognize the need to tailor water standards to the size of the stream and the number of plants discharging into it, I feel the lack of some base level makes it difficult to establish enforceable control orders and secure convictions for non-compliance. Other jurisdictions do have mandatory water standards of a base level.

2. Strict enforcement of control orders and adherence to the principle that the polluter must pay: The trend seems to be to relax control orders rather than tighten them—for example, Reed, Abitibi, Continuous Colour Coat, and Inco.

3. A program to identify and control hazardous substances: As Mr. Gaunt has pointed out, this is of great importance as the number of hazardous substances is increasing daily. The ministry has established a tolerance limit of zero for only five substances in its water management program, which was issued in booklet form last fall. In the same booklet it lists at least 60 other substances which are listed as substances with undefined tolerance limits. We are still awaiting an update of the 1976 hazardous substances list and handbook.

In the meantime, we hear horror stories of mishandled toxic substances such as lost PCB transformers and the burial of a number of boxcars in 1978 in the Tricil property in Moore township containing we know not what toxic wastes or why they were buried. I'd like to know what the minister knows about this incident.

[9:30]

4. Faster action to deal with spills and accidental exposures to hazardous substances: when I addressed a refresher course for community-health professionals in March of this year none of them had seen the ministry's guidelines for response to environmental and environmental health emergencies which was issued in November 1978. We've just received the report today on spills. I'm pleased to see they're down from last year, although the covering letter says they expect they will probably return to the average of about 600 per annum this year. It's still an area where we must make sure the contingency plans are adequate and that prevention is the key word.

5. Amendments to the Environmental Assessment Act and to the Environmental Protection Act to permit class actions: I'm afraid the score is zero on that. No action.

Hon. Mr. Parrott: It was almost an A though with the legislation, wasn't it? I want to establish a little bit on this gradation.

Ms. Bryden: How many As and Bs are you getting?

Hon. Mr. Parrott: Not too many As so far, but I thought there was one there. I'm worried about that, I really am. I may have to go to the appeal process, so I hope before you finish you'll give me a method of appealing this assessment.

Mr. Wildman: We'll allow you a supplemental.

Hon. Mr. Parrott: Okay, thank you.

Ms. Bryden: 6. Extension of the Environmental Assessment Act to all undertakings in the province, both public and private: We appear to be no closer to bringing the private sector under the act. The number of designations for private projects can be counted on the fingers of one hand.

In connection with this item, I would like to draw attention to a rather interesting situation which has developed in regard to the minister's exemption orders. In the past three years it appears the ministry has been letting a lot of government undertakings proceed without environmental assessment under exemption orders that may be illegal. Among the projects was the proposed Darlington nuclear generating station.

The ministry has used section 30 of the Environmental Assessment Act to exempt from the act such things as major highway construction, provincial park developments, industrial parks, large Hydro projects and a host of other provincial government undertakings. Over 70 exemptions of this nature have been issued, many covering large groups of projects. The clause in the act relating to them simply says that the minister can exempt any undertaking if he "is of the opinion that it is in the public interest" to do so and weighs his view "against the injury, damage or interference that might be caused to any person or property by the application of the act."

I'm sure you're aware that last June the Legislature's standing committee on statutory instruments sort of blew the whistle on the way the exemption power was being exercised. It said that exemptions under section 30 were of a legislative nature and therefore came under the Regulations Act. Consequently, they must be registered with the registrar of regulations and published in the Ontario Gazette. While the ministry has been publishing the exemptions in the Gazette, it has not been registering them with the registrar of regulations. Instead, it has kept a file of them, open to the public I may say, in its own offices.

The committee said this deviation from the normal treatment of regulations makes the validity of the exemption orders, if they are regulations, questionable. It also regarded the deviation as a serious undermining of the Regulations Act, "to a point where its purpose would be completely frustrated." It recommended that steps be taken to put the matter beyond question but made no suggestion as to what steps.

Where does this leave the Darlington exemption? In 1977, when the Darlington nuclear plant was exempted, the ministry argued in the exemption order that the plans and timetable for it were so far advanced an environmental assessment would unduly delay its completion scheduled for 1984. It also argued that power shortages might occur if there was any delay.

Now that Hydro has been forced to re-examine its projections of future electricity demand, it has decided to delay Darlington's start by at least 18 months or two years. Some energy observers think it might never be needed if stronger efforts at conservation were made. Certainly, the original reason for the exemption no longer exists. There is plenty of time for an environmental assessment before a decision is made to proceed with the plan, and we should not forget that an environmental assessment can consider alternatives if it finds that the impact of a proposed project is environmentally damaging.

I call on the ministry to immediately clarify the position of Darlington under the Environmental Assessment Act. If the exemption is indeed invalid, it should order Hydro to proceed with an assessment or face prosecution. There is no point, it seems to me, in the ministry attempting to legalize the exemption by reissuing it and registering it with the registrar of regulations, because there is now no compelling reason for exempting the undertaking in the public interest, which is the wording in the clause providing for the exemption power.

Even if the ministry was persuaded that an exemption could still be justified, the statutory instruments committee implies that the ministry may not be able to exercise the power legally without a clarifying amendment to the Environmental Assessment Act or the Regulations Act. Mr. Minister, this raises serious problems in regard to all the other projects exempted by the minister under section 30. Have they escaped environmental assessment through an improper exemption? Is it necessary to legalize the situation by further legislation? Should those projects not yet completed be required to undergo an environmental assessment immediately?

That is the situation with regard to the Environmental Assessment Act. I would also like to call on the minister to show his commitment to protecting the environment by extending the act, as soon as possible, to the private sector and to municipal and regional undertakings. It is almost five years since the act was passed and it still does not apply to these sectors, except by designation. As I mentioned, you can count on the fingers of one hand the number of designations to extend the act to private undertakings.

The ministry's foot-dragging in the local government field is equally incomprehensible. It was almost two years ago that the then Minister of the Environment, the member for Burlington South (Mr. Kerr), said, "Now we are finalizing regulations for municipalities." He said that on November 30, 1977.

So what is the minister waiting for? Is he having difficulty persuading his cabinet colleagues that we need an Environmental Assessment Act which applies to all activities, and which is more than window dressing?

Getting back to the report card, that was item six.

7. Extension of public hearings to the establishment of criteria for mandatory standards, control orders and certificates of approval: We haven't caught up with the United States on public input on standard setting, which they do under their Toxic Substances Act and under some other legislation. The minister's attempt to use the resources development committee as a substitute for full-scale public hearings on the new Reed control order indicates his lack of understanding of what constitutes public input, and also a lack of comprehension of the proper role of a standing committee of the Legislature, as I think I pointed out during the Reed hearings.

8. Establishment of a public participation fund: The gallant band of 120 Ontario residents fighting the SCA application in New York state to dump two million gallons of treated effluent into the Niagara River have had to finance their participation in the hearings themselves entirely. They are pitted against a well-heeled corporation. The ministry is letting them carry the ball, along with their American allies in Operation Clean. Just lately, I understand, the ministry has offered some technical help from its staff to them, but this does not make up for the costs of hiring researchers to produce the evidence, preparing briefs and monitoring the hearings day after day.

The minister has told the House that the hearings are part of due process on environmental applications in New York state and it is not appropriate for his ministry to intervene at this stage. I'd like to ask the minister if there is an opportunity to intervene after the hearings body has rendered a decision; is there a right of appeal to another board or to the governor of the state? If there is not, should not the ministry make known the concerns about the Niagara River which affect the residents of Ontario as much as the residents of New York?

Can the minister also tell us if it is true that some of the effluent which SCA treats is shipped in from Canada? If this is so, perhaps that is why the ministry is not opposing the application, because it has not found an alternative place to ship some of this liquid industrial waste.

9. Establishment of a compensation fund for victims of pollution: The outcome of the Dow Chemical lawsuit produced miserably small compensation for the Lake St. Clair fishermen who lost their livelihoods—

Mr. Wildman: Miserly.

Ms. Bryden: —as a result of the mercury discharges by the company. On the principle that the polluter should pay, there should be a compensation fund for victims of pollution who cannot get satisfaction under the common law. This should extend to injury or loss from regular emissions and discharges, not just from spills, which the present Bill 24 may cover. A compensation fund should cover damages due to leachates from landfill sites, as these are not covered under Bill 24.

I understand, Mr. Minister, that back in 1975 your ministry commissioned a study of compensation schemes for victims of harmful environmental events or discharges. Two draft reports were published in 1975 and 1976.

The 1976 volume contained "a tentative general proposal for possible action in the field of compensation for pollution-related health and property injury and damage." I understand that draft legislation was prepared to implement some of these proposals. I would like to ask the minister if he or his officials who were there in those years could tell us why this legislation did not see the light of day, and would he be willing to table the draft legislation for public discussion.

It seems to me it is a very necessary supplement to the spills bill. I think if he agrees with the principle of the spills bill he should also agree with the principle of

the polluter paying where damage that is not required in the courts occurs.

Item 10 deals with the Royal Commission on the Northern Environment. I called for co-operation between the newly established Indian commission under Mr. Justice Hartt and the tripartite council which was set up to solve the problems in the Whitedog-Grassy Narrows reserves resulting from the mercury pollution of the English-Wabigoon Rivers by Dryden Chemicals, owned by Reed Paper.

I would like to ask the minister what progress is being made by these bodies and whether it might be possible to bring Mr. Justice Hartt and the new chairman of the Royal Commission on the Northern Environment before us to indicate to us what their work program is at present. There was publication of a proposed work program in July 1979 from the royal commission. It might be appropriate to discuss it with the commissioner.

Item 11 deals with more concern over radiation problems at Elliot Lake and elsewhere. Elsewhere, of course, includes Port Hope.

Mr. Wildman: And the roads in between.

Ms. Bryden: I believe it was in 1977 that the ministry took over the environmental health responsibility from the Ministry of Health, but we haven't heard very much from it in that field.

Last year in the estimates, Mr. Germa asked for more information on the radon levels found in Sudbury and in various other cities by a federal team. The ministry officials were unable to answer his questions, but the then Minister of the Environment promised to bring radiation experts to a subsequent sitting on the committee. This promise was never kept.

[9:45]

When we get to the item in the estimates that would cover health problems and environmental health responsibilities, I hope we would perhaps get some input from ministry officials who are concerned with their responsibility in the radiation field. I know the government of Canada looks after radiation from nuclear plants and from mining but I think the health aspects are still a good deal the responsibility of the province.

I would also like to ask what the ministry is doing about the recent survey of house holds in the Junction triangle in Toronto which showed a significant number of residents in the area reporting feelings of sickness, which they attributed to industrial pollution from factories in the area. I think it

would be very interesting to know what follow-up is being done on that survey.

Just today in question period you will recall that Mr. Wildman asked about the potential radiation hazards from the long distance transportation of radioactive wastes from the Eldorado refinery to Elliot Lake. The only answer the minister gave was that if a spill occurred the carrier would be expected to clean it up and the new spills bill would provide compensation. I think that's what he said.

May I remind him that the spills bill specifically excludes radiation from the subjects of pollution, to which it applies, from these kinds of spills. The definition of pollutant excludes radiation—

Hon. Mr. Parrott: Because of another jurisdiction that has control. It's not that there's no control over it.

You never like it when I say there's another jurisdiction controlling. Now you make the case that we have the spills bill and we have another jurisdiction controlling radiation. I think the control is watertight, as watertight as I can make it. I don't know what more you can hope for in response.

Mr. Wildman: They should be in the same kind of trucks that they normally ship sulphuric acid in.

Hon. Mr. Parrott: You know and I know that the control of that is not under our jurisdiction. Agreed?

Ms. Bryden: Are you not responsible for environmental health? When health is threatened by radiation, is not that partly our responsibility? Perhaps we can discuss that later, when we get to the health part.

Item 12 is strict monitoring of the soft drink industry's voluntary commitment to reduce the use of nonreturnables to 25 per cent of the market by December 31, 1979. I'm delighted to hear that the minister has asked the industry to revert to that target. I hope he will also not license these two-litre plastic bottles which some of the industry would like to bring in. I think they add to our landfill problems and are not as desirable as returnables.

13. A vigorous campaign to convert our throwaway society to a conserver society: I'm afraid I don't see much more than lip service to this approach, yet it may be a very important part of the answer not only to our acid rain and landfill problems but to many other environmental problems.

That's the baker's dozen of key issues. All of them are still there and progress has been disappointingly slow. I'm afraid I would

hardly say the minister earned a pass yet. He has another year perhaps to earn a pass.

Mr. Gaunt: He is going to repeat the year.

Hon. Mr. Parrott: God forbid. I give up. I'm going home.

Ms. Bryden: I didn't include in the list four other very important items, because we were scheduling special hearings on them in the fall and winter of last year. These are acid rain; sulphur dioxide emissions at Inco; pulp and paper control orders; and how to dispose of liquid industrial wastes.

I am not going into all the recommendations from the select committee on these items, but I think the minister should recognize—I am sure he does—that the committee members and he himself gained a tremendous amount of knowledge from the expert witnesses who appeared before us over the winter and spring on these subjects.

We came up with two very important reports. The first was the one on liquid industrial wastes, tabled last December. The second was the one on acid rain—SO₂ emissions by Inco and pulp and paper control orders, tabled in the House in late June. During these estimates, Mr. Minister, I hope you will respond to the very comprehensive recommendations in these reports and let us know which recommendations you are prepared to implement and which you are rejecting and why.

I think most of these recommendations were arrived at unanimously by the members of the committee, and it was an all-party committee. We would like an accounting as to what you intend to do about these very important recommendations. Mr. Gaunt has mentioned some of them, particularly the one about coal-fired electric generation stations.

I am particularly disturbed by the minister's backing off from his commitment of a year ago to ban the disposal of untreated liquid industrial wastes in landfill sites by December 31, 1979, although I must say I am not surprised as we haven't seen enough activity in the development of alternatives over the past year.

The ministry is going to have to face up to the fact that private industry isn't going to provide those alternatives. If he has to provide huge cash incentives to attract proposals, and even to compensate private companies whose proposals are rejected, perhaps he should consider whether it would be more economical to put the money into the Ontario Research Foundation to develop acceptable technologies and into developing a single disposal company similar to the one that operates in Sweden. I think it is a licensed

private company, but it has a monopoly in collecting all toxic waste and either disposing of it or recycling it, thus controlling the complete disposal of this dangerous material.

One item I would like to deal with is the question which is sometimes expressed, somewhat crudely, as "environment or jobs." I consider this an inaccurate description of the problem and reject the view that it is an either/or choice. In fact, I would like to argue that good environmental policies will create more jobs. In the first place, our tourist and recreational and commercial fishery industries would be preserved and enhanced. Secondly, pollution abatement often increases productivity. In the pulp and paper industry modernization often goes hand in hand with abatement.

Mr. Minister, there is also a big market in the pollution-control equipment industry—

Hon. Mr. Parrott: You would have given me an A in that, Marion. I have said that many times. It is nice to know that at least on one point we totally agree.

Ms. Bryden: Yes, that's right. In fact, I am going to refer to a report the ministry itself got out in December 1978, which doesn't appear to have received very wide circulation, on the question of a pollution-control equipment industry. I think members of this committee would be very interested in receiving copies of it. I phoned the library between six and eight to see if they had a copy and they didn't. I don't know whether I ever had a copy; in any case, I can't find mine, but our research department has seen a copy.

This report estimated that the imported content of water-pollution equipment purchased in Ontario is 42 per cent.

Hon. Mr. Parrott: Do you have a copy now, Marion?

Ms. Bryden: No, I don't.

Hon. Mr. Parrott: You do now.

Ms. Bryden: Thank you very much. For air pollution equipment, the import content is estimated to be at least 20 per cent. Here is a big area for job creation in Canada. Since branch-plant domination of the industry is a fundamental barrier to the growth of this industry, perhaps the ministry should consider requiring that all pollution abatement investment give preference to equipment produced in Ontario by Canadian-owned firms. We would like to know what further steps the minister is taking to encourage the development of a pollution-control equipment industry.

Since everybody wanted to talk about acid rain and the report tabled yesterday on the

long-range transport of air pollutants, I have a few words on that and then I will complete my remarks.

I think that report which came out yesterday from the Canadian-US team of researchers indicates that the ministry now has absolutely no excuse for delaying action to reduce sulphur dioxide emissions in Ontario. The report points out that over half of the sulphur dioxide contributing to acid rain here comes from Canadian sources, mainly Ontario.

Hon. Mr. Parrott: That's such an important point. I don't know, Mr. Chairman whether you would indulge—I guess not; we'll come to it later. But that really isn't what I says. Can we reserve that statement, and just a note, Mr. Chairman, that we do not agree that is the point of that report?

It is so important, Marion. I shouldn't interfere and I won't except I do want to register concern with that remark, that's all.

Ms. Bryden: I understand it does say that half, or more than half, comes from within Canada. When you were talking about 80-20 you were talking about total emissions.

Hon. Mr. Parrott: Let us come back to that later. I think it is awfully important that we deal with it in depth.

Ms. Bryden: Okay. The report points out that Inco alone contributes one fifth of the total amount of sulphur dioxide emissions generated in Canada. For that reason alone the minister must immediately issue a new control order on Inco reinstating the 750 tons-per-day target which was in the original control order of 1970. The present level of 3,600 tons per day is completely unacceptable in the light of the seriousness of the acid rain problem, which I think we will all agree was highlighted in the report.

The minister, unfortunately, appears to have bought Inco's latest piece of environmental blackmail. Yesterday, on CBLT Toronto, I believe I heard him cite Inco's estimate of \$2 billion as the anticipated cost of effecting further significant reductions in the emission level. This is a big jump from the figure of \$300 million for an abatement program worked out by Inco's own engineers in 1975, which would have reduced emissions to 1,500 tons per day by December 1979.

The IJC, in July of this year, estimated that SO₂ emissions could be reduced by 50 per cent in eastern Canada for \$350 million a year.

It is time the minister made some independent evaluation of Inco's estimates and proposed technologies. Top priority must be given to working out a solution to the emissions from North America's largest point

source of sulphur dioxide. I don't think we can just accept their statements that it is their too costly or impossible.

We should not forget that the money invested in acquiring the battery plant in the United States could have been used to undertake the 1975 abatement program and at least get down to 1,500 tons per day by now. The significant contribution made by the new report is to draw attention to the possible terrestrial effects of acid rain, in addition to the well-publicized threat to our lakes and aquatic ecosystems. The report points out that our \$4 billion forest industry in Canada is in serious danger from acid rain. This potential dollar loss is apart from the loss of the intangible values, such as stabilization of terrain and water flow, wildlife habitat and recreation and aesthetics.

[0:00] The report also points to possible losses of agricultural crops from soil acidification and biological effects of acid rain. While the authors are careful to label their findings as tentative, they conclude that the evidence of potential effects from acid rain are so serious that "Delays in undertaking action to address the presently deteriorating situation will result in greater damage and possible economic costs in the future."

One may say that the International Joint Commission in its meetings in July also produced evidence and statements that acid rain is not only threatening the nonbuffered lakes but could be threatening the whole ecology of the Great Lakes, because the fish that are bred in the smaller lakes will disappear and the heavy metals that are released from the smaller lakes due to the acidification of the water will ultimately move into the Great Lakes and destroy their lifegiving properties as well.

Of course, if the forests are destroyed by acid precipitation, the shorelines of the Great Lakes will be seriously damaged.

There is also new evidence that emissions in Ontario and the eastern United States and the Maritimes are producing acidic precipitation in the Maritimes and affecting their lakes and their soil. So we are already seeing long-range effects of this serious problem. What I ask is, is the minister prepared to take action in Ontario and not use as an excuse of the need for international action delay in cleaning up our own contribution to acid rain? Inco should be his first priority.

Mr. Chairman: Mr. Minister, I believe you have taken notes. You may want to answer.

Hon. Mr. Parrott: Before I do, I think it is only fair to report the score as I heard it.

At the end of the first it was Pittsburgh zero, Baltimore zero and Parrott zero. At the end of the second it was exactly the same. In the third inning, unfortunately, there were no runs scored by any of those teams; but I am pleased to report that I think I heard the Pirates were zero, Baltimore zero, but Parrott got a run on refillables and jobs. At the bottom of the fifth, it is now one for Parrott, zero for Baltimore and zero for Pittsburgh. Those are actual scores, as I understand them.

Mr. Wildman: The problem with that is you didn't list the errors.

Hon. Mr. Parrott: As a matter of fact, it has been a very clean game until right now.

Now that we have dealt with the important scores of the evening—

Mr. Gaunt: Who was catching when you got the run?

Hon. Mr. Parrott: Murray, you're misleading again.

There are a few comments that I have, and I am sure we will want to discuss many of those items under the appropriate vote. I think we can perhaps do it better then. I hope you will agree the staff will be able to reply and help us all.

To Mr. Gaunt, I would say we do invite the environmental groups, but not specifically; that has some danger. We advertise, and I am sure they are more likely to see those adverts than the average citizen. But if we start inviting one and not everyone we would have a bit of a problem. They are advertised, however.

As I acknowledged when you said it, we do accept the suggestion of the documentary on acid rain. I couldn't even argue with you that there has been a fair amount of confusion. You suggested that I fostered it. I don't think you implied, nor do I infer that you implied that it was by design. But I perhaps could accept that as a valid criticism.

May I also say in defence that I believe that in this last year the confusion around acidified precipitation is a much healthier thing—no pun intended—than the secrecy that surrounded that issue two years ago, not necessarily again by design, but secrecy from lack of information and perhaps understanding.

Yes, I think you're right, there is a great deal of confusion there, but as we talk about it in a very public forum I think we're perhaps coming out of that fog into a better understanding of the problem. I hope so. That's why it was here in the first place and that's why I think we should talk about it even some more. You made some valid

points. I cannot agree with your automatic penalties. We've talked about that before and perhaps we'll get back to that again. I think you and I see that differently and I doubt if we'll resolve it.

On another matter, I would like to enter into a bit of a dialogue on the one on liquid wastes and the item you made with regard to Tricil.

Yes, it is a different process. It is a Canadian firm. It was a difficult decision for us. As you know, we had to deal with the general geographic location of the various proponents. Obviously, there is another firm right there with good capabilities.

We were very up front with those firms and we know there's a limited market. If you and I had our way, we'd make that market even more limited. In other words, we don't like the concept of a large volume of hazardous or liquid wastes out there; so the exchange program and some of the things we've talked about before are very valuable. If we had our druthers, it'd be a shrinking rather than an expanding market.

We had to make a very difficult choice. I think it would be only fair to say that we could be second-guessed on that choice, but we thought by being so up front with the participants, where they all sat in the same room at the same time, at least no cards were hidden. It was one of the most interesting meetings I've ever experienced in my life. It was perhaps the most direct meeting I've ever experienced. We did make the decision that we wouldn't give them any undue advantage, but we felt we had to consider them at the same time as we were considering the others. I think we did the right thing.

Do you want to talk about that at all? Would you have done it differently?

Mr. Gaunt: The process, as I understand it, is different. Tricil is talking about a rotary kiln process?

Hon. Mr. Parrott: I don't think so. We can talk about that a bit. Do you want to go into that now? Is this the time?

Mr. Gaunt: Perhaps not.

Hon. Mr. Parrott: Let's talk about their process later. Can we deal with the issue of whether or not you think we should have dealt with them at that time?

Mr. Gaunt: The only thing that concerned me was that their process is different. As I understood it from you and even from the article in the Ontario solid waste management bulletin of September, these proposals

were to deal exclusively with solidification and nothing else.

Hon. Mr. Parrott: Right.

Mr. Gaunt: What I'm concerned about is that now there's another company, which has come in after the deadline of August 15 with a different process, not involved in solidification at all. It should have been dealt with distinctly and separately from the others. I just wonder if there might not be at present out there among those five or six or however many proposals there are some feeling that somewhere along the line preferential treatment has been afforded to Tricil. I don't think that's healthy; let's put it that way.

Hon. Mr. Parrott: Let's put that one to rest. There certainly hasn't been.

Mr. Gaunt: All right.

Hon. Mr. Parrott: Not at all. In fact, I think either the deputy or the assistant deputy would like to speak to that issue because I don't think we could have been more up front with these people all the way through. I think perhaps the deputy minister would like to speak first on the issue.

Mr. Scott: You've certainly put your finger on something that gave us a considerable amount of difficulty. I think it's important just to review quickly the context of this particular situation. The context was we had invited and encouraged the private sector to come forward with proposals for dealing with this area. Because there was a total lack of response by the end of spring, we decided we simply couldn't wait any longer.

In the light of the long-term study we had under way, we felt what we should look for would be the safest short-term disposal system we could envisage at that time. Having looked at a deep well as one short-term possibility, we weren't comfortable with the knowledge we had of the techniques and the long-term safety of such procedures. When we looked at such things as the establishment of rotary kilns or major facilities like that, we were really looking at a much longer-term possibility.

As a consequence of that, we felt that one of what we were aware of in the field, solidification or fixation provided the safest short-term answer to the problem. It was on that basis we proceeded with the request for submissions. I want to point out it was not a formal tendering procedure.

Tricil came forward to us with a proposal that was quite different. In fact, it was something in the form of an original piece of Canadian technology, something they had devised using existing systems but never put

forward before in that kind of a format. Quite frankly, we were faced with either dismissing it out of hand—and this appeared to be something that could have been put into place on a short-term basis—or at least considering it on its merits. It was on that basis we decided we should look at it on its merits because basically we're dealing with the same total amount of waste. In finding a short-term solution—that is, for the next four to five years—we have to look at absorbing all of that waste. In that line, we had to consider them or not consider them.

We thought since it was innovative Canadian technology, since it had some attractions, we had at least to assess it. We felt that was a reasonable course of action to take in relation to the rest of the taxpayers. It's being assessed in that light and I don't think they're getting any favourable treatment at all. If anything, they have a much tougher row to hoe in the sense they produce something that is totally new and for that reason it's got to come under much tighter scrutiny than fixation and solidification, which has some track record behind it.

I think that's about as much as I can say at this stage because no decision has been made yet on which ones we are prepared to recommend.

Mr. Gaunt: Is there any valid reason why they couldn't have met the August 15 deadline? Did they not have their act together? What was the reason they came in in September rather than on August 15? If they were considering this at all, it mustn't have been a spur of the moment thing. It must have taken them some time to develop it. Why weren't they able to meet the August 5 deadline?

Mr. Scott: The best I can do with that is to really tell you what they told me, but they're obviously in the best position to explain their own thinking.

The procedure they're proposing is, as I say, innovative, and it requires quite a bit of work. Actually, they advised us informally before August 15 that they were working on something but said they simply weren't in a position at that time to get something formal before us. We said, "If you want to get something formal before us, you've got to do it openly." They had obviously been working on it some time before that stage.

I think, given the nature of the technology, it's not difficult for me to believe they had been working on it for some time. I can't tell you when they started to work on it or when they developed this concept for approaching the problem.

[10:15]

Mr. Gaunt: Some of the other companies, I imagine, had to hustle around and cut a few corners in order to meet that August 15 deadline. There just seems to be an element of unfairness in allowing one company to extend beyond that. I think if the ministry had seen there were going to be other proposals and the August 15 deadline was a little unrealistic, perhaps it would have been prudent to extend the deadline to all of them. I don't mean to second guess, I just say that—

Hon. Mr. Parrott: We asked them that direct question—if they wanted any extension—and the answer was very clear, no.

Mr. Gaunt: Oh.

Hon. Mr. Parrott: Secondly, I think we had to factor in—and I know the deputy wants to say a bit more—two things in addition.

One, as we all know, is they are coming in operation now and fulfilling a part of the market and, secondly, we can't say to the private sector, "This is the end of proposals." It was very grey in there and I hope if we were really lucky, a year from now there might be someone to come forward with a new process better than those we were looking at today. That will be the give and take of the market place. We shouldn't infer that now having arrived at the short-term solution, the day after it is in place, someone might come along and upstage those who have been chosen. I think we have to factor that in as well.

Mr. Scott, did you want to say something?

Mr. Scott: I just wanted to say there was no question about it when we became aware of their situation. Again, there is a considerable degree of difficulty, although legally we had no problem with it since we weren't in any kind of formal procedure. Obviously, we would have been a great deal happier if they had come up with something before August 15. Therefore, we had to decide whether we wanted to take an understanding and sort of give it the force of law and say "We're sorry. Morally the 15th is the best idea, so that is that." We would take the risk we were shutting off what perhaps might turn out to be—and I want to underline perhaps might turn out to be—a very useful piece of technology but also something that was uniquely Canadian.

For that reason, we perhaps erred, but in our view, our best judgement, our best advice, to the minister at that stage was this one should at least be considered.

Hon. Mr. Parrott: I'm glad to have this discussion. I think it is valuable to have this

out in the open as perhaps we have done so many times. I think Mr. Giles wants to add a comment, too.

Mr. Giles: Just a simple comment, Mr. Minister, Mr. Chairman and members of the committee. I'd just like to reinforce the minister's statement that we were quite up front at that meeting.

All of the industry, including Tricil and the others who knew Tricil was there, were certainly aware when we were trying to make this collective decision that there was something more than solidification involved in trying to solve the problem for this given amount of waste. We were attempting to have them advise us on what they thought about market potential and the opportunity for processing. I don't think there has been anything but a most open approach to the industry, which in turn has been very open with us in saying, "Well, really there is only room for two plants and you go ahead and you make the choice."

Mr. Scott: I might add that is two plants in addition to the first stage of Ajax.

Hon. Mr. Parrott: The last item I made a note of—and there was lots to make note of in your comments, Mr. Gaunt—is on water quality. I'm wondering if we couldn't, for some reports you referred to, do that better in vote 2102, item 3.

Time is getting on. May I now turn to the comments of Ms. Bryden? In a serious vein, I won't really comment on how you see the progress in the year. I do disagree that we have relaxed control orders. I think if you will look at the record of control orders met, which has to be part of the assessment; of the action we have taken when control orders were not met, of going to court, you will find anything but a relaxation of control orders is true. You put only one team up to bat in your assessment. In the second half of the inning, I think we did very well.

Ms. Bryden: I mentioned four.

Hon. Mr. Parrott: I know, but I think it's just unfair. It's literally like having half an inning of a ball game. You didn't take into account those orders that were completed on time or the court actions we've taken when they didn't meet them or the enforcement we've tried to do.

I really do believe that if I have tried to change direction on a personal basis of philosophy, it has been on the importance of enforcement. I think the staff should take direction from the minister in this regard. I am sure if you ask our legal counsel to testify here, even under oath, you'd find that the minister's office has been unbelievably

supportive of his request to go to court. When he had a case to make, I said go.

I recall one or two exceptions. I'd be glad to talk about them. They were so minor and were done on compassionate grounds, not for big industries may I hasten to add, but where I thought perhaps another try would be more desirable than the words, "We'll see you in court." We have been most aggressive in that, so I hope you might reassess that aspect of your report card because I think it's awfully important that you see us as enforcers.

Sure, there have been some exceptions. I can't deny that you can make the case, as in today's question period, about delaying the order at Inco for eight months. That was slightly less time than the strike lasted, but there were a lot of valid reasons, I submit.

Ms. Bryden: Would it be possible to get a picture on the pulp and paper control orders? All of them have interim deadlines. There were quite a number of deadlines that came due in 1979. We have no means of knowing, unless we ask you, whether all of those deadlines have been met.

Could you have a report prepared that perhaps we could receive during these estimates on all the 1979 deadlines in the pulp and paper orders and whether all of them have been met or, if they have not been met, what action has been taken?

Hon. Mr. Parrott: Yes, and that brings me to a case in point. We'll try to do that, which obviously would require our regional directors coming in. I am hoping that the two critics and the other members of the committee might be somewhat indulgent in bringing in our regional directors, from Kingston and Thunder Bay. Having them sit here for the total time during the estimates is bad news for them with the distances involved. As you know, we're more decentralized than any other ministry, I guess. With your support, we'll defer questions to the regional directors until we can deal with them all at one time.

From the timetable we agreed to, we'll now have them here during that period of time for full investigation by yourselves, but not for the total period.

Ms. Bryden: That would be under vote 2103?

Hon. Mr. Parrott: Yes. We will have them here for that total vote because we can now pretty well schedule it. It might be a day out, but that's no problem to us. We will have those regional directors here on that basis.

You asked about several things; for example, application of the Environmental Assessment Act to the municipalities. I believe that will occur in the not-too-distant future, but I know you have been told that before and it hasn't happened quickly. I can't argue that, but I do believe it will happen. I have been to the provincial-municipal liaison committee on that very issue. They are on notice, and we have moved forward in this last year.

To the best of my knowledge there is an appeal process for those in the SCA hearing. I haven't yet been able to get from staff whether that's formal or to the governor's office. Obviously, you can go to the governor's office. If in the next few days I can get that for you, I will.

Ms. Bryden: Do you have any intention, if you do not like the order that comes out of the hearing, of intervening?

Hon. Mr. Parrott: I want to reserve judgement until I know what it is. I think it's the only sensible thing to do. I wouldn't want to rejudge an OMB order. That's what an OMB hearing is all about. Wait until you hear and then you have the right of appeal of many of these things, or an assessment order. We wouldn't be in a position that yes, we're going to appeal or no, we're not. Let us see what the order says.

Ms. Bryden: Sometimes the appeal processes are more rigid and therefore there's an argument for appearing in the first stage of the hearing to also get the concerns of the residents of Ontario across.

Hon. Mr. Parrott: I say to you, as I said in the House, our staff from the Welland office has been there almost every day and the days we've missed we've read the transcript. They believe—and I think rightly so—that with the extensive hearings all the questions have been put. They think the questioning has been very full—and indeed some hearings have been very long—and that it now is up to the hearing panel to make a decision. It is in our view they have done very well at making the case, both for and against. It has been a long, extensive hearing and there are not many questions left unasked.

Ms. Bryden: The questions have been put because the citizens have dug into their own pockets and prepared briefs and sat monitoring the hearings and making sure the questions were put. I think you owe them a debt of gratitude. The fact the questions have been put is not due to the ministry's assistance.

Hon. Mr. Parrott: But we were there too. We were there safeguarding their interests,

as we always will be. We'll safeguard that river with our monitoring program; it's been stepped up. Nobody considers that anything but one of our greatest resources.

You mentioned a little bit about funds for people. We have done two things in the past year which I think would meet with your approval.

We've established the concept of the perpetual care fund, which would address the leachate problems if wells were affected. I think it's pretty obvious now that this ministry is prepared to say to people, "If your well is hurt by a leachate problem, we'll do something about it."

I'm pleased to be able to say that in the great riding of Oxford our ministry has been there well in advance of the local authorities, with a good deal more money than anyone else has ever been prepared to put up. We have the program to help those communal water supplies that have been damaged. We're not only prepared to do something about it, we'll also take aggressive action to prevent it from occurring in the future.

Ms. Bryden: Does the perpetual care fund provide compensation for the person who is the victim of a leachate occurrence, or is it just to prevent them from happening?

Hon. Mr. Parrott: If their wells are damaged, they'll have a new communal well supplied.

Ms. Bryden: But not to individuals?

Hon. Mr. Parrott: Not always at a cost to the ministry; sometimes at a cost to the industry.

In the case of Port Loring, as an illustration, the well has been at the expense of the industry.

Ms. Bryden: But there are communal wells. What about an individual's well?

Hon. Mr. Parrott: I think individual wells are also covered. You heard just two or three weeks ago that the consolidated revenue fund was prepared to assist in the spill legislation. If you wish some questions on the northern environment, we hadn't anticipated that the commissioner would be here. With the tightness of the time schedule it might be preferable if you'd write those questions out, give them to us, and we'll try to have answers for you. We weren't anticipating that he'd be here.

On the Junction triangle I think I wrote a five-page letter today to Mayor Sewell. I'll see that you get a copy of that tomorrow morning. It was a very, very comprehensive reply on the Junction triangle. I think you'll find that information in absolute minute de-

tail. So we'll have that for you tomorrow morning.

I see it's 10:30, Mr. Chairman, and Mr. Gaunt has his books packed. Let's cut it off now and we'll go into the votes tomorrow morning.

Ms. Bryden: I hope to hear about the Barrie boxcars tomorrow morning.

Mr. Chairman: We will adjourn until 9:30 tomorrow morning and we'll be meeting in committee room 2.

The committee adjourned at 10:31 p.m.

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R-16

Legislature of Ontario Debates

Official Report (Hansard)

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Resources Development Committee
Estimates, Ministry of the Environment



Third Session, 31st Parliament
Wednesday, October 17, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, OCTOBER 17, 1979

The committee met at 9:46 a.m. in committee room No. 2.

ESTIMATES, MINISTRY OF THE ENVIRONMENT (continued)

Mr. Chairman: We are short of members but I think all parties are represented. If it will meet with your approval, we will begin the meeting. Are you satisfied, Ms. Bryden?

Ms. Bryden: Yes. We are proceeding with the minister's response, are we?

Hon. Mr. Parrott: I've pretty well wrapped up the response, until we get into each vote, Mr. Chairman.

Ms. Bryden: Mr. Chairman and Mr. Minister, there were several questions that I raised that I would like comment on, and I don't know whether they will come under each item. The first one is the exemption power and the possible illegality of all the exemptions under section 30.

Mr. Scott: Yes, Ms. Bryden, I appeared before the committee with Mr. Jackson of the legal branch of our ministry to discuss the question of orders under section 30 of the Environmental Assessment Act, and I think there is no question that the counsel of that committee had the opinion that actions under section 30 were of a legislative nature and had a legislative effect and it was, therefore, their view that they would be invalid unless dealt with by the registrar of regulations under the Regulations Act.

It is our own legal position that these orders are not of a legislative nature and we believe, therefore, we have been proceeding properly. However, it would be rather foolish to suggest that there is not some possibility that a court might disagree or might see one way or another with the interpretation.

I think there are a number of aspects that are important to it. I think it is clear that when the matter was considered by the Legislature, there are as you know two sections, section 30 and section 41, which permit the possibility of an exemption. Section 41 was more a regulatory power area and was not considered to be the one that we would normally want to use. The reason that section 30

is in there in addition to section 41 is that it provides a great deal more latitude to the ministry in dealing with exemptions. That is to say, there is a power there to apply a number of conditions, for example, to any exemption and those conditions would not be appropriate if you were doing it by regulation under section 41.

In addition to that, any action by a minister which was considered to be capricious or wrongly based in terms of sensible reasoning, et cetera, would then permit some reasonable appeal under the statutory review powers. Therefore it was considered by the Legislature important that section 30 should be used for all of these things, because it provided for the element of judicial review and it permitted the ministry, when granting an exemption, to place some reasonable conditions on the body or persons receiving the release.

I think there is no question that if the ministry wished to do so it could proceed under section 41 instead of under section 30, in so far as most of these exemptions are concerned, but we think that would be against both the spirit and the intent of the legislation.

You mentioned, I think yesterday, the possibility that if it were to be established that some of these exemptions were improper or illegal in nature there would then leave the possibility that we could bring action, or perhaps others could bring action, against the various bodies which had received these exemptions. I don't think there is any possibility in law that any of those actions would stand, because it would be quite clear that these people had in good faith proceeded on the basis of an exemption that was granted apparently in good faith.

I think there are a number of ways of approaching dealing with the technicality that is here. I think there is no question that it is a technicality, that is, the registration with the registrar, because in terms of meeting the basic public need that has been dealt with. We do meet all the public requirements that would normally be met through the Ontario Gazette through publication of all these actions in our own publications. So in order to clear up the techni-

cality there are two or three procedures which we discussed with that committee, probably the most sensible of which would be a minor amendment to the Regulations Act. Amendments of this nature are already in the Regulations Act to permit these kinds of situations in other pieces of legislation.

I don't know if that helps you with our understanding of the laws that relate to exemption orders under section 30.

Ms. Bryden: I understand the statutory instruments committee also questioned the existence or the apparent conflict between the two exemption powers, section 41 and section 30, and thought that should be clarified possibly by legislation.

Do you not feel there is sufficient cloud over the use of the exemption power in future because of these anomalies that were pointed out by the committee and that it would be desirable to bring in legislative changes to clarify the powers of the minister with regard to exemptions?

Mr. Scott: Oh, there is no question. As I say, although we feel we have been at least meeting all the appropriate public requirements, and we believe we have been legally correct, there is no question that that cloud is there. In fact we are attempting to prepare amendments now so that we can correct that situation to remove any possible cloud.

On the distinction between the two, we did get into quite a long discussion about this. It was quite clear in the intent when the legislation was put forward that section 41 would only be used to deal with broad class exemptions, things that would be more or less of a permanent nature.

For example, I believe there is an agricultural provision under section 42 which makes it quite clear that certain activities in the agricultural sector do not come under the act. It was intended for that kind of use, whereas section 30 was intended for the discretionary areas. That has not been abused at all, or at least in my opinion it does not appear to have been abused at any time up to this point—

Ms. Bryden: That is a matter of opinion.

Mr. Scott: —although technically, I suppose, it could be abused, because as I mentioned earlier there is nothing to prevent all exemptions from being brought in under the regulations in section 41 except the limitations in defeating the spirit of the act, which is clearly something that has not been done, in that the minister has generally proceeded under section 30.

Ms. Bryden: The issue of over 30 exemptions under section 30 perhaps may be de-

feating the purposes of the act. What status do you think the present exemption applying to Darlington has? Is that still in effect?

Mr. Scott: Absolutely it is still in effect. It really has the same status of all the other exemptions made under section 30. I don't think there would be any legal distinction between them.

Ms. Bryden: Thank you, Mr. Minister. There are two other points of considerable significance that you did not answer. There were quite a number that perhaps we will deal with later. On the compensation legislation that was studied in 1975 and 1976, have you been able to make some inquiries among the officials who were there at that time as to why it was not proceeded with when it got to the stage of draft legislation? Secondly would you be willing to table the draft legislation so that we could study it for future consideration?

Hon. Mr. Parrott: I'll have to get some one who was around during that period of time to answer that. I cannot imagine that we will, as a government, table draft legislation. My goodness, if that precedent became a fact of life around here we not only would be working most of the days and half the night, we would have to invent new days. There is a lot of legislation that never sees the light of day and I think it would be totally unfair to ask government to put forward draft legislation that had not received cabinet approval.

Surely you would appreciate, Ms. Bryden, that legislation is frequently changed in the due process that goes on in the preparation of legislation. I think it might on some day be very good to put legislation forward and to have everybody thinking you were going to do one thing, and then by the time it changed you would have them thinking you're doing something else, and then by the time it went through the House there would be another approach. There would be total confusion. Maybe that's what we need more than we've got, I don't know. Some days I feel that way.

I don't think any government, not only this government but any government, would ever agree to put draft legislation forward for approval or discussion until it has the full approval of the cabinet. I'm surprised to be honest with you on that issue, that you'd see the logic of that. How could you sensibly react to legislation that had really no meaning?

Ms. Bryden: I would like to see discussion of the principle. Do you yourself feel the compensation legislation of the sort that we

...died is essential as a supplement to the present spills bill, so that there is compensation not just for abnormal discharges but for discharges that harm people in any way and perhaps might have looked after the fishermen who were harmed by Dow Chemical's mercury discharges but who got very little compensation, or of the Indians who lost their livelihood in the Grassy Narrows reserve area because of the mercury from the mine?

Hon. Mr. Parrott: No, I am not persuaded that we should change the common law in that area at all. I disagree on that one. You make your case as much as you would like, of course, but I don't think philosophically you and I would agree on that.

Ms. Bryden: One other point, the buried car incident which was reported to me: would like to know if you have information on whether it actually occurred and what was the—

Hon. Mr. Parrott: Tricil? Could we defer that one until the regional director is here? I don't know whether you want to answer it now, Bill, but if not, we could put that when Doug McTavish is here. That is one that I think would be better discussed with the regional director.

Ms. Bryden: One final question: On this report on the pollution control equipment industry in Ontario, I think you said we had agreed on the importance of import substitution and developing that industry, but you tell us what steps you are taking to develop that industry in Ontario?

Hon. Mr. Parrott: I think Mr. Castel would like to reply on that one, if he would please.

Mr. Castel: Since the report was issued, following action was taken by the ministry. First of all, the Ministry of Industry and Tourism asked MacLaren to come back and do a more in-depth study. The MacLaren report includes total expenditures for noise abatement and solid waste which were not included in the MOE study.

Canadian manufacturers will be advised of product opportunity through a seminar on that is being organized at the present time. The MOE study was circulated to the Machinery and Equipment Manufacturers Association of Canada but no response has yet been received. At the present time we are updating our report to include figures for 1978 and 1979.

Ms. Bryden: I am glad to hear the ministry is starting to move in this field. I hope it will continue and, if the manufacturers are not coming forward, that he will consider whether there is a possibility for a

government crown corporation in this field to replace this tremendous amount of imports that are coming in in this industry.

Mr. Castel: As a matter of interest, the MacLaren report identified the share of the market for noise equipment as five per cent, which is very small, and for solid waste 20 per cent. Our figures for air and water were 25 and 50 per cent respectively.

Hon. Mr. Parrott: Back to the boxcars, I have had advice from the Assistant Deputy Minister Mr. Bidell, and I knew I was not aware of the boxcar situation. He advises me that he is not aware of that information. I am not unconditionally sure that our regional director is not. Could you flesh that out a bit for us, Ms. Bryden? What information do you have?

[10:00]

Ms. Bryden: A resident of the area had the report that a number of boxcars with some sort of toxic wastes were buried in big ditches on Tricil's property in Moore township.

Hon. Mr. Parrott: A railway boxcar?

Ms. Bryden: Yes.

Hon. Mr. Parrott: There is a report—

Mr. Scott: Bill may be able to help you.

Mr. Bidell: On Tricil's property there is no spur line.

Ms. Bryden: So you couldn't get it in there. Well, perhaps it was on some other property in Moore township.

Hon. Mr. Parrott: But I really believe that is a pretty serious thing. It is not a little item and surely to goodness somebody would have a good deal of information. I would like to follow it up but I would like more than just a rumour. Have you got anyone who has written to you and who has said he knows it happened or who has any photographs?

Ms. Bryden: Yes, I have.

Hon. Mr. Parrott: Could you table that? Even if you obscured the identity of the writer, it could give us the location.

Ms. Bryden: I will have to get his permission.

Hon. Mr. Parrott: Yes, but give us the location because the case is that there are no spur lines to Tricil. I hope they didn't take them there by helicopter but I don't know how else they would get them there. So, give us more information on it. I don't want to send staff off on a wild goose chase without any shred of evidence at all. We don't ask for a case to be made but at least give us the time, date and place.

Ms. Bryden: I will get whatever information I can, Mr. Minister.

Hon. Mr. Parrott: Thank you.

On vote 2101, ministry administration program; item 1, main office.

Mr. Gaunt: I just want to get some further clarification from the minister with respect to the new housing and environmental agreement which was signed by Ontario and the federal government, I believe, in March of this year.

Hon. Mr. Parrott: Yes.

Mr. Gaunt: As I understand it, the provincial total will be \$83 million over the next two years, \$49 million of which is in grant and \$34 million in loan. I understand that the minister was encouraging municipalities who wanted to embark on sewer and water treatment programs to do so, or at least get their applications in by May or June of this year.

I just wanted to know how this new program is going to work. I have read the statement of the minister. Although that is helpful, there are some questions still remaining with respect to how the program is going to work and how municipalities are going to participate in it.

Hon. Mr. Parrott: It's probably under vote 2103, but I think we can probably answer it now. Essentially, in a word, the guidelines for administration are very similar to what they were previously.

Mr. Gaunt: You would administer the program?

Hon. Mr. Parrott: Yes. They have some guidelines for us but what I think we are hoping for in that short period of time of two years would be to have a long-term agreement. That was the whole purpose of only a short, two-year period. We were not keen on that short a time. It is very difficult for municipalities, particularly in sewage treatment plants, to plan efficiently during that uncertain period. So it really should be considered as a hiatus.

Of course we hope the federal government will continue to see the tremendous value and importance in the funding of these community service programs. I guess we will have to wait and see. I don't know what the previous government was really thinking about. I think they wanted the agreement signed and the saw-off was on a short-term basis.

Do you want to add to that, Mr. Scott, or are there any more specifics on that? I think the terms of reference were almost identical. There was no significant change from the agreement that had been in effect prior to

the signing of the agreement. But what will happen in the future I guess will depend on the negotiations.

The Minister of Housing (Mr. Bennett) doing the negotiations, if you will, in the normal sense for us. Obviously staff is involved, but when the negotiations have taken place it has been with the Minister of Housing rather than myself and with the appropriate minister in Ottawa.

Mr. Gaunt: The new agreement also embraces the neighbourhood improvement program, which is a housing program.

Hon. Mr. Parrott: Yes, that is why we decided that one minister had to be the lead minister and it went to the Minister of Housing for us—maybe because he lives in Ottawa.

Mr. Gaunt: Right. So the formula, in far as sewage and water treatment plants are concerned, is the same as it was previously.

Hon. Mr. Parrott: Essentially.

Mr. Gaunt: In financial terms?

Hon. Mr. Parrott: Essentially.

Mr. Scott: Yes, I think it is the same but the amounts of funds are diminishing as a result. It isn't as generous a program as it was and it has a commitment for only two years. Although I am not up on the details and perhaps Mr. Castel can correct me if I am wrong, I believe there is also a hiatus period that fell in between the old arrangement and the new arrangement so that some projects that would normally have been funded—I think the period was about six or seven months—did not qualify for funding. That matter is still being negotiated so there is still some hope that we may get some coverage. That was the principal disadvantage or principal difference in the conversion from the old system to the new system.

Hon. Mr. Parrott: In that year, financing became a little more difficult for us too because it was a whole year without flow of funds and that presented a bit of a problem. Maybe I shouldn't say for us as much as for the municipalities.

Mr. Gaunt: So really, in the final analysis there was less money available so that the effect is backing up the schedule of construction for many municipalities.

Hon. Mr. Parrott: Yes, that is true although I would not want to hang that heavily on the previous administration. There was less money but not a gross change. I think the hiatus of the year for funding the municipalities perhaps was a large problem. I don't know whether you want to add to that or not, Mr. Castel.

Mr. Castel: I think the situation is exactly as the minister has described. One of the problems we had with this agreement was that it is valid for only two years and this creates uncertainty, both in the minds of municipalities and in our own minds regarding long-term planning. For a program of this nature, it is difficult to plan for a two-year period and I think this is one of the main problems that we have now. We hope this will be rectified when the agreement is renegotiated. The Ministry of Housing, as the minister has said, is the lead ministry, but we are being represented and all our concerns are going to be taken into consideration.

Mr. Gaunt: Okay. Thank you, Mr. Castel.

Hon. Mr. Parrott: I think it is \$50 million, or as you said, nearly \$50 million next year.

Mr. Chairman: Have you any questions on item 1, Ms. Bryden?

Ms. Bryden: Yes, Mr. Chairman. I never let the ministry go by without discussing the question of where it ranks in the number of women in the ministry and the percentage that the women's salaries bear to the men's salaries.

We have the 1977-78 report of the status of women crown employees. That is the latest one that seems to be out. It shows that the ministry, as far as the percentage of women's average salaries to men's average salaries is concerned, has dropped from 4 per cent in 1977 to 62 per cent in 1978. The women as a percentage of the total ministry have gone up from 17.3 to 18.5, but the 18.5 is really a restoration of the 1975 figure. So there hasn't been very much progress there as well.

I realize the ministry has a great many technical employees where there are not always women candidates available. I wonder if the ministry is seriously conducting an affirmative action program to bring women to the ministry in greater numbers and to overcome this tremendous salary gap between men and women in the ministry.

Hon. Mr. Parrott: I was hoping you would confine your question only to the minister's office, Ms. Bryden, because there is a great record there. It is five to one on your side. We have an excellent women's co-ordinator, Marie Clark, and I would like her to discuss this item. I had an excellent chat with her yesterday morning because I surmised that you might ask that question. I was briefed yesterday morning and I think I can answer many of your questions but I really would like our women's adviser to do

Ms. Bryden: I'm glad I didn't disappoint you, Mr. Minister.

Hon. Mr. Parrott: No, as long as you will stay predictable then it is okay.

Ms. Clark: Thank you, Ms. Bryden. Your question, if I understand it clearly, is that you are wondering what objectives and initiatives we would take to try to increase the pool, the outside pool, of resources as far as our scientific, professional, technical module is concerned. Is that what you are asking?

Ms. Bryden: That is part of the problem, I agree, but I think there may be problems within the ministry as to whether it is giving enough attention to encouraging women to come forward for higher positions, to take retraining or additional training and that sort of thing.

Ms. Clark: Yes, I think the focus in our ministry, certainly my director and myself agree, is on training and development and I have myself this year, since I have not been on board quite a year, focused in on compiling a clear inventory and identifying these women where they would like to go. Now it is not necessarily the case that they may be able to satisfy their career paths in our ministry because it is a technical ministry. They may have to move out into the whole Ontario government. But at least what we are attempting to do is identify these women and give them the encouragement.

I think, of course, you have to look at the overall problem of being able to change behaviours but you must change attitudes. That is the most important thing. You have to get out—I feel very strongly and it is going to be part of my program next year—get out at the high school level and begin to affect some of the attitudes that some of the younger people have towards going into the engineering field.

We do, primarily, focus in on civil engineering and chemical engineering with the focus on sanitary and that is not drawing many women. When I look at the figures and statistics, it is a very small percentage. We are drawing many more women into the scientific and technical aspect of that module. I think it will be a long-range prospect. I don't think it is going to happen overnight. I think we do have to reach out into the high school level and take some of our engineers, some of our female engineers out there and let the young people see that there are roles there and there are people playing these roles. When they see the role-playing happening I think they say to themselves, "Well, if she can do it, I guess I can, too."

My attitude is very supportive to the women in the ministry. I do want to identify them and I have felt a great deal of satisfaction that there is much more communication. They are much more aware of the affirmative action program now. They are taking part in the planning of the initiatives for next year and I want to see more communication going on between line management and senior management and the female members of the staff. We have an advisory committee now. I want to see some men on that and we have had some volunteers. So we want more dialogue going on all the time.

I don't know whether I have answered all of your questions but fire away.

Ms. Bryden: The figures for 1977 and 1978 say there are only 29 women in the management modules compared to 598 men. I don't think all of those are technical positions or would require technical training.

Ms. Clark: No.

Ms. Bryden: Has there been any progress since 1977-78 in the number of women in the management modules?

Ms. Clark: Our administrative module is fairly small and it is affected if we lose two or three women from management positions. It does affect our percentage. We have come up a little. But that is going to be one of the focuses of my incentives next year, to see what we can do with that administrative module in getting women into senior management. We have to get some dialogue going and we have to get some career pathing going. It is a little more difficult because of the constraints. There just isn't the mobility that there was. There are fewer jobs and more people trying to move around in them.

Hon. Mr. Parrott: I think we have to emphasize that point, if I might interrupt.

Ms. Clark: Oh, yes, very definitely.

Hon. Mr. Parrott: Since I have been there, now 14 months, there have been absolutely no changes—I guess one—in first, second, third and fourth levels. Oh, excuse me. I beg your pardon, Mr. Deputy, I'll take that back. There have been two, one of a minor nature, the deputy. But in the first, second, third and fourth levels, I only recall seeing one new face and that person came from within the ministry. So you are asking us to do that which we agree with but, frankly, there is so very little mobility that I don't know how we can make the figures turn around overnight. It won't be done. It just wouldn't be done. It isn't being done for any classification.

[10:15]

Ms. Clark: We are not the only ministry with this problem, believe me. All the technical ministries are suffering the same way.

Hon. Mr. Parrott: I agree with Anne's comments that we should be out into the secondary schools. In previous portfolios, as we were talking about yesterday morning, I totally supported that. That's where the attitudes are formed about a lot of things and certainly career development. So I hope we do get out and she has my full support in that.

Ms. Bryden: Yes, attitude changing, as you mention, is very important not only outside but within the ministry. I hope when the things do open up and there are promotions being considered, the attitudes will have been changed so that consideration will be given to bringing forward as many women as possible to change those ratios.

Ms. Clark: Yes. If I just might add one remark, my own case is one example. I moved up from the systems area into a management position so I, myself, am a prime example of what we are trying to do.

If the people are there we will find them. And if there is a spot there we will see they get into it. That's my commitment.

Hon. Mr. Parrott: We have a person sitting among staff this morning, my deputy reminds me, the French co-ordinator who is with us this morning, is female.

Mr. J. A. Taylor: It is pretty hard to change attitudes, though, Mr. Minister. It is pretty hard to change attitudes. I've been working on the Liberals and the NDP for years.

Hon. Mr. Parrott: We will never give up though. We will keep trying.

Mr. J. A. Taylor: Never.

Ms. Bryden: Mr. Chairman, I would like to ask the minister, under what vote will we be able to discuss the Junction health survey? I don't see any reference to environmental health anywhere in the estimates and yet I understand that is part of your responsibilities. To whom do you refer questions like the Port Hope problems that were reported in which there was some discussion of whether we need an epidemiological survey?

Hon. Mr. Parrott: I think the time to do that is probably under 2102-2: air. But I do want you to know that we in the government have met several times—the Minister of Health (Mr. Timbrell), the Minister of Labour (Mr. Elgie), the Minister of Education (Miss Stephenson) and myself. There is no doubt that we are the spokesmen for environmental health. It's a pretty indefinite line between environmental health and public

health and where the public health is at issue, of course, it should be, and is, the Minister of Health who deals with that issue. You will find some grey in those jurisdictions. If a community survey should be done, whatever reason, I think that's a public health issue and should be done by the ministry or through the ministry with the public health officers.

Ms. Bryden: But do you have any unit that communicates with medical officers of health or a unit that is specifically concerned with environmental health with medical people in it and so on? Where does that show in your estimates?

Hon. Mr. Parrott: Our regional directors, of course, be very closely involved with medical officers of health for a lot of reasons. One, the issue you raise and, as I know, the private septic tank approvals and large are being by the health officers in our province.

So there are tremendously close ties between our regional staff in all sections and regional, or at least county and district, health units, so that there is a good tie there. We certainly have a lot of contact at the staff level among the three ministries. Indeed, as ministers we have met and tried, as best we can, to have the lines of function drawn and known. For example, the illustration that you make on Eldorado, we believe that that's a community health program and should be viewed as a public health program and should be addressed to the Minister of Health and we don't want to fall between the cracks; therefore, we have met and taken that approach.

Ms. Bryden: But you don't have a specific unit within the ministry outside of some personal contacts. You don't have a specific unit that deals with environmental health that perhaps co-ordinates the work of the divisions.

Mr. Giles: Mr. Chairman, Ms. Bryden, there is an individual, Brad Drowley, who is the primary contact in many of these areas where water, air and waste management fall within his area of responsibility. He, as an individual, is what you might call our primary contact with the Ministry of Labour. We provide us with a service that is such in our region or any one of our staff who is being confronted with a problem can immediately phone them; can contact the appropriate medical adviser in Labour and get their opinion right away.

It is a question of our having set up what we believe to be a workable arrangement in order for them to provide us with

the kind of information we need to do our job.

Ms. Bryden: So you really only have one person concerned with environmental health?

Mr. Giles: No, I disagree with that statement. I would say that we use the advice of the Ministry of Labour where the doctors who can advise us in these matters reside—and a decision was made a couple of years ago as you recall—to provide us with that medical advice. As the minister has indicated it is sometimes a difficult line to draw between what you might call community health and environmental health. Where we are concerned with it, clearly we have that resource at our disposal and any one of the ministry staff could be involved in a question of environmental health in that sense. We are all in that business.

Ms. Bryden: But nobody is spending, or at least, there is not a particular unit that is looking at health outside the work place and the effects of environment on—

Hon. Mr. Parrott: I want to underline that. As you heard me say early in my days, I thought the whole foundation of this ministry was health oriented and the protection of health. That was our basic route, meaning that is where we were founded. We really came out of the Ministry of Health and we are, therefore, as a total ministry involved in the protection of the health of the people and we do it in our various structural ways of air, water and control. But the underlying principle of the Ministry of the Environment is one thing—if you could pin it down to one thing—to protect the health of the people of this province. It is fundamental to us.

Ms. Bryden: But we are not doing very much in the way of surveys on the health of the people of the province.

Hon. Mr. Parrott: No, that to me is public health and should be done by those best qualified. But we are doing a great deal to protect the health. There is a difference between doing the survey and assessing it. We have a sister ministry that is quite prepared to accept that responsibility.

As a ministry our founding principle is to protect the health and I think if you look at air quality and what has happened in the last year, all things being considered, in the last years there has been a tremendous improvement in the quality of air, for instance, which has to have a tremendously direct benefit to the health of the nation.

Mr. J. A. Taylor: The last 14 months.

Ms. Gigantes: Could I ask a supplementary question on that, Mr. Chairman?

Mr. Chairman: Sure.

Ms. Gigantes: I find this whole area very confusing myself and I don't understand how it is that there can be something called environmental health when essentially you are saying there is either a community health problem or there is a health problem in the work place. In either of those cases, bringing the attention of the appropriate authorities to a health question is the co-ordinating role that you play.

Hon. Mr. Parrott: But surely with total and direct communication on a day-to-day basis—

Ms. Gigantes: Let me ask a specific question. I can understand how you have a director, a regional director or a regional ministry office which might decide that such and such a pollutant in the environment in an area constituted a health problem and might appeal to the Ministry of Labour to see if it was an industrial health problem.

When it comes to environmental health or community health that's a totally different field. You're not dealing with a given group of workers and known levels of emissions and known areas of contamination and so on, where a great deal of work on a pretty scientific basis has been built up. When you get into the public health question, what happens at the local office? If there's a public health question in the riding of Carleton East and it's brought to their attention, or somebody seeks the help of the eastern Ontario office, do the eastern Ontario office people go to the regional officer of health? What happens?

Mr. Giles: Taking a specific example such as that is a good way of illustrating it. If a problem develops, as did, for example, the fire in the pesticides warehouse last year, our people are naturally called early into the picture, because of our kinds of responsibilities. They in turn, of course, having assessed that there was a risk, then communicate with the local medical officer of health, whose responsibility it is to make a decision, in terms of, say, evacuation of that area.

In making that decision, to call him, our staff can refer to the Ministry of Labour's health advisers, who are not limited only to industrial health, work-place type of help. They are there as our advisers as well, in environmental health, and they are there as advisers for specific types of health problems for the Ministry of Health in community health, if it's the kind of area where their expertise and knowledge of the effects of these kinds of contaminants—

Ms. Gigantes: Who's supposed to call those advisers? The regional office calls the Ministry of Labour—

Mr. Giles: Whoever is on the scene investigating the particular problem has direct access to that medical advice.

Ms. Gigantes: The example you give is an example of an incident which people will respond to in a clear fashion. What I'm thinking of is a situation that goes on for years and finally some resident says, "Damn it, the trees have started dying here; I've taken seven years, and my wife has a cough and why is that happening?" He calls the Ministry of the Environment. Then what happens?

Mr. Giles: If the concern was the trees we'd have somebody from our phytotoxicology group go out and take a look at it immediately.

Ms. Gigantes: Yes, but suppose he just says it's the trees. Does somebody else pick it up and say that may be affecting the health of people there?

Mr. Giles: It would depend on what the nature of the finding was. Clearly, if you identified that something was killing the trees which could, to our knowledge, have a health effect as well, then the investigator would obviously immediately contact the Ministry of Labour medical advisers, or medical advisers in the Ministry of Labour to see if there was a connection.

Ms. Gigantes: The local officer of health wouldn't be called in?

Mr. Giles: He might or might not be depending on what then was decided as to the nature of the problem.

Ms. Gigantes: It's been my experience in the limited time I've been a representative, that people tend to call the Ministry of the Environment when they start to cough for some reason.

Mr. J. A. Taylor: Cough?

Ms. Gigantes: Yes, cough. Or if they're faint, or dizzy, or they're getting chronic headaches and they think some environmental pollutant is causing that problem, they call the Ministry of the Environment.

Mr. J. A. Taylor: Instead of the doctor?

Hon. Mr. Parrott: They might be the ones who come to your attention; I can understand that and I think you're right. But the vast majority, as Mr. Taylor is saying, would likely call the doctor. I would hope the mandate of any practising physician is a little broader than just the treatment of a specific ill. Surely if he and other doctors during their medical meetings are seeing

common complaint, they would think that they should do more than just prescribe pill.

[0:30]

Ms. Gigantes: Mr. Minister, there is in Burlington East, for example—and I use it just as an example, I don't want to go into depth on it now—a manufacturing establishment which is putting chloride pollutants into the air. The people who live in that area go to 400 different doctors—not 400, but at least—and there's no doctor who's going to keep track of whether there is this common complaint. As you are well aware, in a modern urban society people don't go to a community doctor. So I don't think that we're going to get any feeling that a public health problem, if it existed in that area, was going to be identified by a community doctor. That's just not realistic.

Hon. Mr. Parrott: No, but surely those 400 wouldn't have called the Ministry of the Environment.

Ms. Gigantes: No. You might get two calls to the Ministry of the Environment over a period of three years. The ministry goes out, looks at soil tests and looks at the leaves and says: "Well, it's not too bad." Who's going to say whether or not it's bad? Suppose that there is a health problem there, who is going to take that up? Your inspectors will go out and look at the gums of cows and test the leaves and so on, but for people who have been living there, who are building up what they believe to be chronic symptoms of problems, who call the ministry, what happens for them?

Hon. Mr. Parrott: Surely we're not living in that difficult a world to communicate. I'm positive that the medical officer of health would be involved at an early stage of that. He wants our expertise—it's both ways—immunological surveys would be done by another ministry, but the technical assistance understanding the relationship between a pollutant and problems would be our responsibility. There has to be this jurisdictional overlap, if you will, but I don't think it means no one is looking after it. It probably means the reverse. Both of us are looking for a common—

Ms. Gigantes: Again, my experience is limited in dealing with government at this level, but my experience indicates to me that the people who are supposed to look after something the less it gets looked after, unless there is a clear line of communication laid out for questions that may arise from the public and come to the ministry regional

offices. Those ministry regional offices work hard. I know how hard they work. For them to be able to deal in an appropriate manner with a health question, when that function is not clearly delineated within the ministry, it's going to be very difficult for them.

Mr. J. A. Taylor: Good point. What you're saying is that everybody's business is nobody's business. Everybody's property is nobody's property. That's what worries me about some of the philosophy. But I think that if there's an overlap some way—

Ms. Gigantes: Underlap, I call it.

Mr. J. A. Taylor: —or confusion on the part of the public, then I can understand that. Although in my experience, to be honest, it's not been the same. Maybe it's because I have a different type of riding. For example, we've had water problems in private water systems that may be many miles apart—60 or 80 miles apart—in different parts of the riding, and the Ministry of the Environment has worked with the local health unit, different health units.

You mentioned trees and leaves. We had a problem with the red cedar turning brown, and I noticed again that you had Natural Resources, and I think you people were involved in it. If you have a fish kill, again I find that there is a meshing of the local services and your ministry in a number of these things.

In another village we had contamination of wells by oil from an oil company nearby, and again your ministry is working out the solution of that with the village, in terms of what has to be done. I find that in my riding, from my experience, it's worked pretty well, to be frank. As a matter of fact, on the odd occasion some of your people might be overzealous, if anything. I had a case where there were five cows that watered in the Bay of Quinte, and there was quite a row over those five cows.

Hon. Mr. Parrott: Yes, I remember that.

Mr. J. A. Taylor: I'm just saying that sometimes it gets down to that level where a little common sense would solve it without having the whole thing processed by your ministry. But in general terms, I would say that the local board of health—and we have regional boards, as you know—should work hand in hand with your ministry, and one complements the other. If it wasn't for the expertise in your ministry, I don't know what we would do—not only the expertise, but the clout you have that we wouldn't have locally.

Ms. Gigantes: I agree totally with your comments, but the problem is, in my experi-

ence again, which is limited, that in an area where you have various sources of pollution, and they all seem to bear down on the same limited population, the Ministry of the Environment has been the only ministry that I've seen active in following up on these problems. I'm not at all sure that the Ministry of the Environment has the capability and the direct authority to be able to follow through on them in a proper fashion. After four years in the riding of Carleton East, that's the way I have to feel.

Hon. Mr. Parrott: I think we should have our assistant deputy minister, who is overseeing our regions, address the problem as well. Mr. Bidell?

Mr. Bidell: Mr. Chairman, Mr. Minister, and Ms. Gigantes, any complaint that comes in from the public with respect to—as you put it—coughing, or effects on health and so on, is immediately checked out. The power, as you say, the authority that we have as determined through the auspices of—

Ms. Gigantes: How are they checked out?

Mr. Bidell: They are checked out with the local medical officer of health or, as Mr. Giles mentioned before, through the Ministry of Labour, with the experts in that ministry, with respect to health problems. If there is evidence to suggest that there is an immediate danger to health, we would not hesitate to issue an order for a shutdown, because we have that authority in the legislation to do so.

If the evidence is not clear, it's very difficult to take any action in that regard. The evidence has to be clear cut that it is an immediate hazard to health. So I think we have that authority in those cases. In these other cases—

Ms. Gigantes: Long term.

Mr. Bidell: —the longer-term cases, there is full liaison with both the local medical officer of health and the experts in the Ministry of Labour, together with our own experience from past events of this kind, and it is our responsibility to drive any problem like this through towards completion or solution. Maybe the local residents don't agree with some of our technical findings or technical evidence.

Ms. Gigantes: Okay, let me put it this way: suppose you have a number of pollutants each of which may cause long-term health problems. You have them overlapping and exposing an area and a population. Who takes on the responsibility for looking at the overlap of those pollutants, salt and fluoride together?

Mr. Bidell: First the responsibility is clearly ours, in the sense that if there are industries

in the area that have these so-called overlapping pollutants in the atmosphere, once we have the evidence that there is an effect, it will be a long-term effect on health, we will take the necessary action. We have to take the necessary action in terms of—

Ms. Gigantes: Your regional office might go to the Ministry of Labour and say, "Look, we've got this problem. There's fluoride exposure at such-and-such a level." "No problem; as far as we know, no long-term health problem." Then somebody else from the local office might end up talking to the people in the Ministry of Labour, and say, "We've got these levels of salt." "Well, no problem; as far as we know, no problem." Who puts the question to these epidemiologists and medical experts—

Mr. Bidell: We put the question.

Ms. Gigantes: Who puts the question if population is exposed over a certain number of years to both those kinds of pollutants? In the long term, what would be the health effect? I really don't see a clear line from the ministry.

Mr. Bidell: Oh, there is quite a clear line to the local medical officers of health, there is a clear line to the experts in the other ministries, with respect to health expertise in the long-term effects, as you put it.

You may argue that maybe the government hasn't got the experts to know all the answers. Maybe there should be better experts—

Ms. Gigantes: I am sure the local medical officer of health doesn't. I am sure of that.

Mr. Bidell: But there resides expertise in this area in the Ministry of Labour. We have as Mr. Giles mentioned, Mr. Drowley as one central contact in terms of general situations and the regions deal with specific problems.

There is a clear direct line. You may argue the bottom line may be that the experts have not been able to establish any long-term effects so that when the people in the area who are complaining get the answer from that there is no problem, I don't think, of all, any answers are given in that sort of off-hand or flippant manner. We take response to these people in terms of health very seriously.

Ms. Gigantes: Don't get me wrong, I very much admire the work of the ministry. I don't sense the capability to deal with complicated problems of public exposure with the pollutants may overlap, when the effect of one pollutant combined with another pollutant may not be known and when the exposure period may be for many years.

Mr. Bidell: I think the central issue here that you are driving at is not that there is any lack or any flaw in the administrative overlaps and so on, I don't think that's the problem at all.

Maybe the issue you are hitting at is that there isn't any medical expertise available anywhere to really know what the long-term effects of some of these pollutants will be. I think that's probably the central issue.

Ms. Gigantes: Suppose it were the case in an area such as the one I am talking about where you had a cross-pollination of pollution, if you want. There should be a study done of the health effects from long periods of exposure.

Who is going to initiate that? How does that request get generated and who follows through on it?

Mr. Bidell: I think that that aspect of it, Ms. Gigantes, would reside with the Ministry of Health—or Ministry of Labour rather. They should be—

Ms. Gigantes: You see there—

Mr. Bidell: No, now wait a minute. This is with respect to the long-term effects of a certain pollutant. It has nothing to do with whether it is being generated in Ontario or what part of Ontario or anything like that. It is a general study. That is not our responsibility, I think, as the minister has clearly pointed out before. But it is our responsibility to carry the matter through if there is a specific problem in a certain part of the province—to carry the matter through in terms of whether there is a health hazard in this particular case and what action should be taken.

The action one takes has to be based on the evidence. I don't think we can go chasing these problems and order people to do certain things when there is no evidence.

Ms. Gigantes: Even in the industrial work place, where you have a known group of people working for differing numbers of years with certain exposure to pollutants, one can go on for years and say there is no evidence, because the evidence accumulates after people leave the work site. In an area where essentially you are going to be looking at the general health of residents who also come and go over a period of years—some of them stay—you are never going to see the evidence just springing up and hitting you in the nose. You will get two or three complaints from families who have lived in the area for ages.

I feel very uneasy about the fact that that kind of situation can arise and I think with the best will in the world, the Ministry of

the Environment inspectors and regional office people won't sense that perhaps there may be a serious long-term health problem being created in the area. I feel also that the local medical officer of health doesn't have the expertise, or indeed the time, to start getting into that kind of inquiry and I just don't know how it gets dealt with.

Mr. J. A. Taylor: I don't think you should downgrade all of the medical officers of health because we have got some darned good medical officers of health who are very knowledgeable, at least I have found that, and again I am just speaking from experience.

[10:45]

Maybe in smaller communities it is different too. Maybe there is some communication. Maybe the doctors communicate better. If a series of people comes in with a certain complaint, maybe there is a common denominator established in a smaller area where there is more communication. So maybe it varies depending on what part of Ontario you are in. But I would like to know, Mr. Minister, when I can use my electric kettle again. I put it on the shelf some years ago and God I'm getting tired of using the hot water out of the tap.

Ms. Gigantes: Mr. Chairman, thank you, I won't pursue at this time.

Hon. Mr. Parrott: I appreciate it. Just a very quick comment. I thought maybe I was biased towards the medical officer of health. He is a very close personal friend. We have a lot of direct communication, but he seems to be on top of the situation. It's just the same experience as Mr. Taylor has experienced in quite a different part of the province. So I agree, I don't think we should downgrade the medical officer of health. I didn't think you were trying to downgrade the medical officer of health. I really am convinced that that medical fraternity, focused through the medical officer of health, is in the front line and is able to gather that information. It isn't something that will happen instantaneously but it does help.

Ms. Gigantes: I think the situation in the major urban centres is somewhat different.

Item 1 agreed to.

On item 2, financial services:

Mr. Gaunt: On item 2, Mr. Chairman, I just have a question here. I noticed in reviewing the expenditure estimates in the 1979-80 book that it points out that in the 1977-78 fiscal year five out of the nine expenditure estimates in the main office were over-expended. More was spent than what the estimate indicated. I was just wondering

what mechanism the ministry has for fiscal control of spending within the ministry.

Mr. Castel: Technically, we cannot overspend in any activity.

Mr. J. A. Taylor: I'm glad you said that.

Mr. Gaunt: I think I've heard that before.

Mr. Castel: However, certain activities at the end of each fiscal year have to be adjusted for salary awards that are approved during the fiscal year. This requires management board approval and the vote and item is therefore increased to cover salary awards.

There is another case too where there may be certain interactivity adjustments, and this is if priorities are examined during the year and certain reallocation of funding has to take place. But particularly the activities you are referring to in the first vote have all been adjusted to some extent because of salary awards.

Mr. Gaunt: So the expenditures in information services, analysis and planning, legal services, audit services and Experience 79 were by and large salary awards over and above what you estimated.

Mr. Castel: That's right. Experience 79 has not changed as far as I know. It is the same amount. There has been no adjustment in Experience 79.

Mr. Gaunt: In the 1977-78 estimates, the expenditure estimate was \$700,000. The actual expenditure was \$782,000 to \$873,000. That is substantially above what was estimated.

Mr. Castel: Are you looking at the public accounts?

Mr. Gaunt: No, I am looking at the estimates book. What I was interested in, Mr. Chairman, was the mechanism. I think Mr. McKeough when he was Treasurer indicated that he was insisting that all ministries have a certain fiscal control mechanism within the ministry. I am wondering how it operates in this ministry. That is my question, put simply.

Mr. Higham: I think in the case of Experience 79 the additional expenditure over what shows as the original estimate occurred because management board authorized additional funding into that program in several areas within the government. The additional spending would have been picked up by management board order.

Mr. Gaunt: Right. I wasn't really particularly concerned about that program because I think it is an excellent one. I was more concerned with information services, analysis and planning, legal services, audit services—all of which exceeded the estimate. I presume

those figures reflect increased awards to the personnel employed in those various categories.

Mr. Higham: That is correct. Most of the adjustment is indeed for salaries. Occasionally there will be a minor adjustment for increased cost of employee benefits which are also associated with salary increases. But salaries would account for probably 98 per cent of the total.

Mr. J. A. Taylor: It not being an election year, you were somewhat confounded, were you?

Mr. Gaunt: Not really.

Mr. Higham: It is perhaps unfortunate, Mr. Gaunt, that the particular document I assume you are looking at here doesn't indicate the additional authorizations that have occurred during the year. There is another estimates document which points out that authorized increases have occurred to individual votes and items during the year.

Mr. Gaunt: As I recall it, the Treasurer came before a committee of which I was a member, back, I believe some two years ago, and he explained how each ministry has to employ a system of financial control. If the spending of a particular branch is exceeding the expenditure allotted to it for that fiscal year, then there are certain procedures employed and that matter is reported, I think, to management board and then it goes on from there. That is really what I am trying to get at.

Mr. Higham: That is correct. Customarily when we identify before the end of the year that in any given activity it appears we might be overspending, we are required to attend at management board and explain why it is being overspent. Hopefully, it is something which is beyond our control and we are then requested to find, if you will, that excess funding from some other vote within the ministry so that the ministry's total appropriation is not exceeded.

In the case of salary awards, management board assigns a central contingency fund. That is not provided in individual ministry estimates at the start of the year, but is re-allocated from the contingency fund as the awards occur during the year.

Mr. Gaunt: Does the deputy minister have to report periodically to management board; that is to say, report in a routine fashion every three or four months saying, "We are on schedule," or "We are over in this particular vote but we are under in this one," that sort of reporting mechanism?

Mr. Higham: Yes. We have a quarterly report which goes to management board

dealing with the capital expenditures of the ministry and, clearly, that is the largest single item we have in our estimates. The concern there is that we not commit funds to future years through the capital program in excess of the current year's funding level.

As far as the operating expenditures are concerned, we are reporting on a monthly basis through a computerized report which identifies the funding expended to date and the anticipated spending for the rest of the year. Where that would exceed the original allocation, we are required, again, to identify why the increase is occurring and where else within the ministry's estimates those additional funds will be found. We are not looking to increase the total allocation of the ministry, but where, for various reasons, perhaps minor variances in original estimates occur during the year, we have to find that additional required funding in other items.

Ms. Bryden: I noted in passing that financial services seems to be somewhat of a big spender on supplies and equipment this year compared to last year. It went up from \$3,000 to \$43,000, an 87 per cent increase, whereas the grant to the Ontario Municipal Water Association went down by the same per cent, although not by the same number of dollars, from \$15,000 to \$2,000. Could you explain that, the one jump and the one decrease?

Mr. Higham: In the case of the grant, it related to a particular research project carried out by that association. Part of the work wasn't completed until the following year, so the reduction in the grant didn't mean that there was any difference in our relationship. It simply means that part of the project wasn't completed to the value of \$2,000 until the following year.

Ms. Bryden: What about the big increase in supplies and equipment, an 87 per cent increase from last year's estimate? I am not sure what was spent last year.

Mr. Higham: I can't answer that specifically but I can probably make a good, educated guess. Within that activity, we have printing operations and it may be that we are replacing particular items that come under that kind of operation in one year that may not occur again for another three or four years.

Ms. Bryden: That doesn't come under information expenditures, printing, annual reports?

Mr. Higham: No.

Ms. Bryden: Incidentally, Mr. Minister, when will we receive the annual report for

1978-79? We have not yet received the annual report of the ministry, have we?

Mr. Higham: It should be available within three to four weeks.

Hon. Mr. Parrott: Can I put a word in here? Will you ask for less time on this year's annual report than on last year's?

Ms. Bryden: Well, you'll remember, Mr. Minister, you made three of the referrals.

Hon. Mr. Parrott: Indeed I did. That's why I said last night, God forbid that we have another year like the last one.

Ms. Bryden: That's all I have, Mr. Chairman.

Item 2 agreed to.

On item 3, supply and office services:

Mr. Gaunt: Mr. Chairman, on this one I thought I would raise the matter of the computerized industrial water pollution monitoring system. I could do it under vote 2103, I guess, but it is a computer system. I gather that this particular item has, as one of its component parts, systems development and computer service costs. I just wonder, is that computer system operating again?

As I said last night, I think it is a very important computer system. Last year we found out that it wasn't all that useful because of misinformation and lack of people to operate it properly and so on. It is involved in an important function in so far as gathering data from industries related to waste loads and plant performance and so on is concerned. I think that is very important.

I suggested last year that the ministry had better get that one going as quickly as possible. I don't see how else you can adequately measure the performance of industries in so far as their pollution abatement programs are concerned.

Hon. Mr. Parrott: I would ask Mr. Scanlon to reply. Before he does, I'd like to say I agree with you and it's one personal objective. I'd like to see a completely closed system on that. I think it is absolutely essential. I am sure we are moving towards that end. As a matter of fact, on a couple of occasions I have been able to escape with my scalp intact by making that statement directly to those who would be most affected. The trucking association is aware of it. They probably wouldn't be as uptight, but certainly the manufacturers' association would. But I think we agree on that one completely.

Mr. Gaunt: I don't see how it is possible to have a really effective control program unless you have that kind of information coming out on a regular basis.

Hon. Mr. Parrott: That's right. We have moved a long way.

Mr. Scanlon: I have just a couple of comments. The system was developed a number of years ago and it was in operation for about four years. We had 80 companies reporting into the system and I think it was fairly successful. But to be really successful we needed about 180 companies to be reporting in.

Because of constraints and personnel cut-backs, not in the personnel branch but in the particular branch operating the system, that was one of the items dropped. We felt we couldn't operate the system successfully in a sort of half approach, and in order to do the job well we needed people to operate the system. We didn't have the complement; it was cut back. The system has been suspended for about three and a half years.

[11:00]

Over the last year, it's been recognized that it was an important system and that it should be picked up again. The newly re-organized waste management branch which was responsible for the system has made a commitment to devote some of its resources to picking it up. I don't know exactly when that will happen, but I would think that within the next year we could have that system back in operation.

But it does take resources, it does take commitment, and right now this ministry faces a difficult situation as far as complement is concerned.

Mr. Gaunt: You are talking about the waybill system, weren't you, or was I misunderstanding you?

Mr. Scanlon: That's part of it I guess but—

Hon. Mr. Parrott: It was the industrial water pollution monitoring system, not the waybill system on that particular question.

Mr. Gaunt: Yes, you're right. That was my basic concern. I don't know whether or not the same computer system deals with the waybill system but my initial concern was the water pollution program, the data coming in from industries on a regular basis which would then be fed into the computer and would give you some handle on whether or not those people were complying.

Hon. Mr. Parrott: There was a little confusion on my part and I apologize because I feel so strongly about the waybill system and the eventual closing of that system to a complete accounting system.

Mr. Gaunt: I misunderstood your question, but I agree with that.

I think this water pollution monitoring system is a very important matter as we Mr. Minister, and I urge you to get it going as quickly as you can. We talked about it last year and I recognize that all ministries are constrained financially but I think it's question of priorities. I would see this as fairly major priority for the waste management branch and I am disappointed that it obviously going to take another year before the thing is really operational.

Mr. Scanlon: Let me just make one remark. That system has been developed, it was operating for a number of years, it was suspended, but it won't take that long to get back into operation.

The only rider I would make is that if companies were reporting into the system. To really cover the pollution problem, we need about 180 companies. Although the computer part of the system is working, we need that extra commitment to get the other companies reporting in. But to make the system operational is a matter of months.

The other system you referred to, the waybill system, is a new one that has been developed and so is a different proposition.

Mr. Gaunt: I recognize you should have 180 rather than 80 companies reporting in. That is part of the resources which will have to be directed to command this program and those additional 100 companies will have to be encouraged to get on stream and to report.

I am happy it is going to be reactivated. Mr. Minister, I hope its operation is more successful and effective than it was three years ago prior to shutdown because I think it was 50-50, if you know what I mean—50 for you and 50 for them, kind of thing. could be a very effective program if it were properly done and I urge you to do it quickly as you can.

Ms. Bryden: One question, Mr. Chairman. Is the waybill system fully computerized at the present time, and if so, would it be possible to publish a monthly report showing the classification of wastes that are being handled and where they are going? Also, are the amounts reported from the generators jibing with the amounts reported by the disposer or are we still losing thousands of gallons of liquid industrial waste on the reports that are coming in?

Hon. Mr. Parrott: I haven't checked that in the last month and I know it has been changing almost monthly. I would agree like Mr. Scanlon to answer that.

You have my unconditional commitment that is where we will be going. I don't know

how close we are in the last month but it has changed a lot in the last year.

Mr. Scanlon: On the waybill system we have broken it down into a number of modules and the actual inputting of the waybill data, the editing of it and the reconciling part of the system has been developed and is now operating on the data that has been reported to us in August and September.

We have about two months of backlog data to get into the system and we still have some bugs in the system itself. In developing any new system and implementing it you usually find some bugs so we are going through that period now. But the data is being entered; it is being processed; and we are finding out an awful lot about the data itself.

That is about three quarters of the system. The fourth quarter of the system concerns the actual information retrieval and recording of different statistical type reports. That is yet to be developed.

But we feel as soon as we get over the hurdle of actually doing the reconciling of the shipping notes and the receipt notes we will develop the last quarter and that will provide different kinds of analysis reports. So I think we are going through the teething stage right now but we are processing data through the system.

Ms. Bryden: Do I take it that you haven't achieved full reconciliation yet between the amount reported by the generators and the amount reported by the disposers?

Mr. Scanlon: No, we haven't. We are matching up shipment notes and receipt notes. We have got about two weeks of data in. We know there is a time lag between the shipping notes being received and the receipt notes being received, so we are not exactly sure how close the reconciliation is.

That is one problem. We haven't got enough data in the system yet.

The other problem is that the data itself is not too clean. This is normal in the start-up of any system. We are going to have to communicate with the different parties—the waste sites, the haulers and the sources—and get them to fill out the bills a little bit more accurately. So we have that second problem to deal with.

Ms. Bryden: Mr. Minister, do I take it that until we get this system working completely and better we will not know whether midnight haulers are dumping illegally?

Hon. Mr. Parrott: We won't be able to prove it perhaps, Ms. Bryden, but I am sure we are going that way.

Mr. Scanlon wanted to make a comment.

Mr. Scanlon: I would say that before the end of the year we should have a very good handle on the reconciliation and how close it is. But we need that extra two months of data.

Ms. Bryden: Do you plan to publish, say, monthly reports of the statistics derived from the data when the data is more or less complete and going through the system satisfactorily?

Hon. Mr. Parrott: No, I think the publishing of that data would be an unnecessary procedure. I don't think there is any doubt information should be readily available. But are you talking about publishing it in the Gazette or advertising in the newspapers? You are asking me whether that printout information is readily available to you at all times. Sure it will be. But I don't think we are about to publish it. It is our job to make sure that system is as closed as it is humanly possible to do, and that is our commitment.

I look back on the last year with some pride, when this issue has been fairly prominent. We know the only degree of accuracy somebody thought was necessary was if a truck came in and picked up X number of gallons, did it really matter whether they said on the waybill it was 200 or 1,700 or whatever. It was a truckload paid for and he just put it through. It was an insignificant operation—just paper to handle. Nobody's under that illusion any more. They know darned well how important we consider the system.

When I asked a question of one company, I think it took 45 man-days to get us that information. I found that absolutely unacceptable and we've changed all that. You don't have to worry about the commitment to be able to get that information. That should be your right. We're more than happy to give you that information, but I don't see the value of publishing it.

Ms. Bryden: It may be valuable to know where the waste is being disposed of and whether it is being disposed of in the proper facilities.

Hon. Mr. Parrott: I guarantee that is our commitment. I'd hate to put questions in your mind, but what concerns me would be the audit that goes on there. And I intend to do audits. This is not something where publishing the data will prove much. I think it will be effective only when we can say to you—I think it's the minister's responsibility to be able to tell you, "Yes, we have audited various companies."

I'm a real hawk on this and want to be. I have no apologies to make on what has

been done in the year and have no apologies to make on what we'll do in the future. We're going to close that system. I want the world to know it.

Ms. Bryden: This is one area where I think the opposition parties have succeeded in getting action. But it's taken over a year since the liquid industrial waste was discussed by the committee and we still really haven't got the system operating, so I hope you will proceed as fast as possible.

Hon. Mr. Parrott: The events of the last day have proved to me you don't always get credit for the good things you do and sometimes get blame. If you'd like to share some of that credit I'm prepared to give it to you, but we as a group have moved together on changing the system and making it much better. So maybe when I need a little help sharing some of the unjustified blame on occasion you'll share it with me, since we've now shared some of the credit.

Ms. Bryden: The committee certainly recommended that the waybill system needed cleaning up—

Hon. Mr. Parrott: Sure, and I don't take a thing away from the committee on that.

Ms. Bryden: Thank you, Mr. Chairman.

Items 3 and 4 agreed to.

On item 5, information services:

Mr. G. I. Miller: Mr. Chairman, I would like one point clarified. That is the grant of \$7,500 to the Ontario Federation of Anglers and Hunters. This was to be used in your statement that you made this week, Mr. Minister?

Hon. Mr. Parrott: There was no intent, Mr. Miller, to upstage you on that. I don't know if you are aware of the commitment we have made. That's one that's been hanging around the ministry for a long time. We'll have a chance to talk about that at greater length, not too long from now.

Mr. G. I. Miller: Yes, I would appreciate it. I think the anglers and hunters have been very responsible in getting this off the ground. My bill will affect the Ministry of Education more than the Ministry of the Environment—and also the Ministry of Transportation and Communications and the Ministry of Natural Resources.

I think that was a step in the right direction. I want to congratulate you on that.

Hon. Mr. Parrott: Mr. Miller, I was dumb enough to go on some holidays last year, and my deputy delivered the speech at their annual meeting and got a standing ovation. It was probably the only chance I would ever

have to get a standing ovation from a speech and I'm away.

Mr. Riddell: Maybe he delivered it better than you would have.

Hon. Mr. Parrott: That's quite possible, Jack.

Mr. G. I. Miller: What plans do you have for supporting the anglers and hunters? Anything specific? Are you going to be providing disposal bags for pickup? What direction will you be going in?

Hon. Mr. Parrott: I'd be glad to go into the details on that. I've met with them, but the details are not at my disposal right now. [11:15]

Mr. Higham: We're meeting with the federation on almost a monthly basis now, finalizing the projects they themselves, through their regional organization, have identified as being desirable and achievable as part of the program. Our involvement with them is to support the publicizing of the event of the day, of the activities that will take place largely under their auspices. Our involvement deals with advertising campaigns. We've made available to them our own advertising agency in developing creative material that can be used for publicity purposes. We've identified some logistics problems with them. It's obviously a major projection on a province-wide basis.

We think there is a high degree of enthusiasm operating in all the regions of the federation. We met with their executive director, Rick Morgan, 10 days ago and with their board of directors about three months ago, when we talked about the philosophy behind the Pitch-In Day event, and the way in which we can make material available to the federation in support of what is essentially a self-starting operation on their part.

Mr. G. I. Miller: So do you have any estimated cost? The \$7,500 certainly wouldn't cover all those costs.

Mr. Higham: The anticipated cost of the advertising campaign to publicize the events in the various parts of the province is on the order of \$100,000. That will occur next spring.

Mr. G. I. Miller: I'd just like to make one more point: I think Saskatchewan has undertaken a similar Pitch-In program, and I think they have provided 500,000 garbage bags which were utilized this past year—as a matter of fact they ran out. So it has been a very successful program in other provinces. Hopefully, I can get the support of the government on the bill which will be presented on Thursday.

Hon. Mr. Parrott: Don't use any of that information that Mr. Higham just gave you in your opening remarks, because I was going to use it.

Mr. G. I. Miller: We'll give that consideration. Thank you.

Mr. Gaunt: Cross-pollination of information.

Ms. Bryden: Mr. Chairman, I think the correct place to ask this question is under information services.

From time to time the minister has expressed his feeling that the conservator society approach is probably the most important answer to a lot of environmental problems, particularly things like acid rain, since a great deal of the causes of acid rain come from the development of energy and the use of energy. Certainly our waste disposal problems would be a great deal less if we had a conservator society.

I don't just mean an anti-litter society, although I think that's important, but I mean a society which changes its lifestyles, its demands on resources and which redesigns its manufacturing processes to have as much closed-cycle operation as possible and the most efficient use of our resources.

So I wonder what sort of education the ministry is carrying on in its information programs towards this really fundamental change in approach to lifestyle and to industrial processes.

Hon. Mr. Parrott: I'm not sure the ministry can do much more than continue to stress the theme. There's a lot of knowledge out there we all choose not to use. I was at a packaging exhibition Monday of this week and talked about that subject. I'm using every opportunity I can to talk about it.

You can only go so far in changing those attitudes. It will go slowly. So whenever I have the occasion to speak, it frequently slips into those remarks. It's certainly the attitude of the ministry.

Would you flesh out a little bit more what you really think we can do in that regard?

Ms. Bryden: I would like to see the information division issue some literature on the subject.

Hon. Mr. Parrott: Oh, we have all kinds of literature. We have our own print shop. I'd hate to tell you how many pieces of paper go through that print shop. That's no barrier.

Ms. Bryden: Is this part of the school program—to stress the conservator society? As I say, not just an anti-litter program, but a much more fundamental change in values and approaches and life styles.

Hon. Mr. Parrott: We do a lot of that, as a ministry. We supply a great deal of information.

Ms. Bryden: Is it being used in the schools, as far as you know?

Hon. Mr. Parrott: Well, who can ever judge that? It's like taking the horse to the water trough. You hope when you do the job that it's done effectively and that it gets the message across. I kind of think it is.

I'm sorry to interject a personal reaction here, but I had a chance last week to sit with grades three, four and five in my own riding. Their level of understanding of the conservator society is so much higher than it was 10 years ago that I am impressed with their attitudes. You know, children aren't unmindful of the importance of not throwing litter, they aren't unmindful of why they're using refillable bottles. And they're doing it, that's more to the point. I'm persuaded that our communications program at that level is having a pretty significant effect.

It may not be our program. I don't care, as long as the message is getting to them. I think people, either because of our information, or in conjunction with it, are getting that message. I know the younger people are—and I'll bet you've had that experience as you go to the public schools, the elementary schools, and have a chance to visit with the nine, 10 and 11-year-olds. They're very aware; they have an awareness that was not there a decade ago.

Ms. Bryden: You also have to work with industry, as the Minister of Energy is working with them to try to reduce their energy use.

Hon. Mr. Parrott: There were a very few remarks that I made, but I couldn't have made them at a more appropriate place, I guess. They deal with exactly what you're saying, Ms. Bryden, and I'll send you a copy of that speech. It was, I think, four pages long, but the message to the executive members was very clear. There was only one thing: what you're talking about.

Ms. Bryden: I'm glad to hear that, Mr. Minister. The question of acid rain, I think, is one that has been receiving considerable public education.

Hon. Mr. Parrott: I only wish it were. We're putting a lot of facts on the table. As you read in the press in the last two days—quite frankly, I'm not disagreeing with what's being said in the press, but as you read even today's papers, you get a spectrum from A to Z on the information that's going out. It's a very difficult job. Heaven knows, with that horribly complex seven or eight

pages I went through last night, it is a complex issue.

We're going to do more on trying to educate all aspects of society on that particular problem. We've certainly got to zero in on the press and try to educate, if you will. I don't mean slant, I think you would agree with that, but it's such a complex problem. It will require an educational package.

I don't think for a second that the press aren't attempting to report the issue as they see it, but unless you have a very significant data base on which to report, it's very difficult to report. There may be half a dozen journalists who have a very good broad base; and I can appreciate that they can have a broad base on everything. But on acid rain, I think it's essential that we do our utmost to get that broad base out there.

Ms. Bryden: The LRTAP report that just came out put it in very simple terms that the public can understand; that is that not only are our lakes in danger of being killed, but our forests, our agricultural crops in affected areas and possibly our whole ecosystem. But those three facts, that the recreational lakes or the lakes for fishing, the forests and the land are endangered—has to be got across.

Hon. Mr. Parrott: We agree. We're trying. And it's not easy. But I think if we're to talk about whether we're trying to get the information out, that's one thing. If we're talking about acid rain, that's another thing we want to do—the discussion on acid rain is on another vote.

We can't argue with you about trying to get the facts out. I'm afraid that the more reports you see, the more confusion there is. That case was made last night. We have spent a lot of time in this committee and I am sure that we are not all seeing the facts in exactly the same way. I am not worried about the political bias that might come through. We just have a different understanding.

Last night you made a comment that I had to interject on. I know you said that with the best of intent but I couldn't accept it. It was a matter of disagreement on facts. At that moment there was no difference in philosophy.

It is really difficult for us, but we are going to make every effort to get as much information to the various segments on acid rain as we possibly can.

Mr. Gaunt: Including the schools?

Hon. Mr. Parrott: Including the schools—with a film.

Ms. Bryden: Just last week I saw a film produced by a freelance film maker who had

been to Sweden to study acid rain and who had made a film on what he found there. It deals not only with the effects of acid rain in Sweden but also with the attempts at counteracting it through their liming process. In addition, it includes interviews with some of the officials there whose message is mainly that counteracting measures are not nearly as important as reducing the causes at the source; in other words, eliminating the emissions before they occur. I think that's a very important message in that film.

When he came back he got in contact with your information division and offered to show his film. I think he hoped it might be considered an educational item for schools or for public meetings of some sort. This was last April, I think. He completed the film in March. He has not received any reply at all, I understand, from your ministry as to whether they are interested in his proposal or not. It seems to me that is something that should be followed up. I think we do need that kind of education. It is a very appealing film.

Mr. Helliwell: Mr. Chairman, my knowledge is a little scanty on this but to the best of my knowledge first of all, I believe we paid this gentleman \$1,000 to cover part of his expenses to go to Sweden in the first place. When he returned, he was in a position to show us some rough footage of what he got in Sweden and I believe a group of our executives viewed that rough footage back in the early part of the spring. But I was not aware the film was completed and I certainly don't know of any invitation to come and see the completed film.

Ms. Bryden: Would you be interested, if there were such a film, in considering it as part of the educational information program?

Mr. Helliwell: Yes, we would certainly be very interested in seeing it.

Ms. Bryden: But you have no communication from him that you have not answered?

Mr. Helliwell: I have no letter on file that I know of, unless he was in communication with some other member of our ministry not connected with the information services branch.

Ms. Bryden: I will have to follow up further on this, Mr. Helliwell.

Mr. Helliwell: I will certainly look into it.

Mr. Higham: Ms. Bryden, if you would like to let us have the gentleman's name, we would be prepared to talk to him directly ourselves.

Ms. Bryden: It's Irwin Karnick.

Mr. Helliwell: This is the same gentleman who made the wheat harvesting film.

Mr. Higham: That's right. We have dealt with him before. In fact, he produced a movie on wheat harvesting.

Ms. Bryden: Yes.

Item 5 agreed to.

Item 6, analysis and planning.

Item 6 agreed to.

On item 7, legal services:

Mr. Gaunt: I have a number of questions on this item. First of all, I would like to know how the matter of an application for extension of a control order by Abitibi Forest Products Limited of Sturgeon Falls stands at the moment. I think some negotiation took place. The ministry reserved a decision on that matter back in July. I am just wondering if there has been any resolution to that particular application for extension or alteration.

1:30]

Hon. Mr. Parrott: Would you let us do that under vote 2103 because the regional director will be here? We can answer it now, but not nearly as fully as we would.

Mr. Gaunt: All right, that is fine. Can I have a breakdown of the prosecutions which were undertaken last year and the convictions and to whom they applied?

Hon. Mr. Parrott: Mr. Mulvaney?

Mr. Gaunt: While Mr. Mulvaney is getting that material out, I was also going to raise the matter of Abitibi Paper Company Limited of Croquis Falls. I believe there was a matter there that was unresolved before the courts. I think 22 charges were laid. There was a decision, as I understand it, by the Court of Appeal, which overruled the divisional court with respect to the ministry's position, which was that the agreement with the company was not a formal agreement that it hadn't been signed by the director. The appeal court said that in its view it was an agreement and was a bar to prosecution until the time for compliance had lapsed. I am interested in that one as well.

Mr. Mulvaney: I'm Neil Mulvaney, director of legal services in the ministry. Perhaps we should deal with the Abitibi decision first. You are quite correct, Mr. Gaunt. The divisional court had decided against the company's defence, which was an allegation that the prosecutions in those circumstances amounted to an abuse of process. The Court of Appeal upheld the position of the company and took the position that implied in the

correspondence between the district officer and the company was an undertaking that charges would not be laid, at least before a certain time frame, by the minister.

After some reflection and some discussion with both the civil and criminal lawyers at the crown law office, a decision was made not to seek leave to appeal that to the Supreme Court of Canada. A very large factor in those deliberations was the concern, not directly related to our ministry, but rather the concerns related to the overall development of the law and particularly the criminal law.

The feeling was that this just wasn't the case to take before the Supreme Court of Canada to test the abuse of process concept. So the decision was not appealed and for the present we are adapting to it as best we can. We are taking account of it and trying to avoid a repetition of the kind of situation which the ministry got into in Abitibi. In other words, we are adapting to it rather than fighting it further—that is the Abitibi decision.

Mr. Gaunt: When will that agreement lapse? When will the ministry be able to lay another charge?

Mr. Mulvaney: On a reading of the judgement of the court there was an indication that it was an agreement of very short duration. There was a matter of months left to expire in it at that time. It has long since expired.

Mr. Gaunt: You don't plan to lay any more charges now the agreement has lapsed?

Mr. Mulvaney: We have no instructions to consider the laying of further charges against that company. I believe I am correct in saying that.

Mr. Gaunt: I guess my question has to be directed to the minister. In view of the fact that the ministry laid 22 charges initially and the appeal court found that because there was an informal agreement between the ministry and the company it would throw the matter out and would reverse the decision of the divisional court, now that the agreement has lapsed, do you not intend to pursue any of those charges?

Mr. Mulvaney: I must say that the situation with that company has dramatically changed in that it is subject to a number of new orders now. At that time we were faced with quite a different situation.

Hon. Mr. Parrott: To answer that question, I haven't had any advice of recent date from staff; therefore, I haven't made any decision for or against, so I don't feel that I can

answer your question this morning in a direct way. I don't know whether Mr. Bidell wants to offer some advice on that or wait until Ron Gotts arrives to talk about the position as it is.

I think that Mr. Mulvaney makes a significant point in that there are new orders and it is a different day. We can't judge it just as it was at that time because conditions have changed significantly.

Mr. Bidell: As you likely know, the orders on Abitibi were all written up in November 1977. You've mentioned the amendment at Sturgeon Falls. That is to do with the order issued at that time. With respect to any further prosecution, I think in any further violations that are on matters not covered by these control orders we would certainly not hesitate to proceed.

Secondly, any missing of the dates in the order itself would also be pursued in the same way. But in the case of these events that occurred at that time, the six months are well up, so we have no option in that regard. Where there are further violations, as far as pollutants are concerned or the missing of dates in the present orders, that is another question.

Mr. Gaunt: Then there is still a possibility, if there are some things which fall between the stools in so far as the present control orders are concerned, that you may consider pursuing them.

Mr. Bidell: Absolutely.

Mr. Gaunt: I think this brings up the point we talked about in committee, but which in this particular case is underlined and underscored, namely, that the government should bring in legislation to remove the current provision whereby companies are protected from prosecution while serving under a control order or a voluntary abatement program. This particular court judgement points out that there is a problem in that area. We talked about it in committee and I think the ministry should do something about that.

Hon. Mr. Parrott: I really do have trouble understanding that. If you issued an order and you've said these things must be done and those are the dates and if they are proceeding with those dates, why would you want to prosecute?

Mr. Gaunt: If they are proceeding and they are on target, you wouldn't.

Hon. Mr. Parrott: Of course, that was the whole bit of the date of the most publicized control order that we've placed in my term. I made it very clear if those dates were in violation and the company did not meet

those dates, then we would take them to court on violation of those dates. I think you have to go the whole way. I don't think that breaking any new ground. It may be a more positive commitment than had been made previously, but I don't think Reed in Dryden believes it is immune from prosecution under June 1982.

Mr. Scott: I might say that the Abitibi case is giving us a great deal of difficulty at the moment because it is the one and only case in that particular area. We have other actions proceeding now, some of which may directly enter into that field.

The only problem with the Abitibi case is it is the only case, therefore in order to be as effective as possible we have to take into account every possible pitfall that case suggests may be out there in our day to day dealings with these companies. Once we get another case, or another couple of cases under our belt in relation to this then we will probably be able to limit quite sharply the impact of that. I believe there is one coming up that will test that area equally. It will then be confined more or less to the very specific facts. When we only have a one-off situation, until that has been clarified further by the courts we have to pay extra close attention.

So I don't think you need be pessimistic in the long term about the impact of this particular case. But in the short term, to be sure that we can be as effective as possible in enforcement terms, we have to keep a weather eye on that case.

We have one or two coming up. When they come through, I think you will find that area of law will have been considerably narrowed down. We won't be quite as hamstrung as we are by the short-term constraints of that case.

We would be reluctant to make any sweeping changes in our legislation at the moment until we get somewhat better clarification that area of the law.

I don't know if Neil would like to add that.

Mr. Gaunt: I gather, Mr. Scott, that you anticipate winning the other two?

Mr. Scott: You're darn right.

Hon. Mr. Parrott: We anticipate winning all of our cases, don't we Mr. Gaunt?

Mr. Gaunt: Do you want me to comment?

Hon. Mr. Parrott: Quite frankly, I have talked to Mr. Mulvaney on that very point don't see any value of window dressing. In a court action. Courts are busy enough. I believe that we should be there as often

s necessary. But there is absolutely no value in going to court without a chance of winning. I mean, what logic is that? But, by golly, when we do go to court we intend and expect to win.

Now we obviously don't all the time. Who does? But I think there is no doubt in legal services' mind that when they have Graham Scott and HCP written on the recommendation, that's a recommendation to win, not to lose. No window dressing.

Mr. Gaunt: Maybe automatic fines would help you stay out of court. Do you think they would?

Hon. Mr. Parrott: No, that's the problem. It wouldn't. We would have to prove the case even for automatic fines.

Mr. Mulvaney: Perhaps I could go on to the other part of the question; the summary of the activity during 1978 and 1979.

Ms. Gigantes: May I make a supplementary before we go on? I'm still not clear at all about what problem the ministry sees in the Abitibi case. Would it be possible to lay out exactly what you think is the problem?

Mr. Mulvaney: Before the decision of the Ontario Court of Appeal in the Queen versus Abitibi, it wasn't clear that a provincial court judge—this is where our prosecutions are initiated—had the authority to dismiss a prosecution under a provincial statute on the basis of what is called an abuse of the process. The Abitibi decision in the Court of Appeal made it clear that the provincial court judge does, in what the court described as clear-cut circumstances, have the power to stop a prosecution if it feels it is fundamentally unjust.

Ms. Gigantes: Could you describe exactly your understanding of why that judgement was made? Why was the judgement made at the process was fundamentally unjust?

Mr. Mulvaney: In the court's wording, it was a clear implication in the correspondence an undertaking on the part of the ministry not to lay charges if Abitibi met some dates in the correspondence with the district officer. The court viewed it as, in effect, a ministry going against a clear-cut position it had already taken. The court in that case regarded that as an abuse of process.

[1:45]

Ms. Gigantes: The charges were charges which were similar to the so-called agreements?

Mr. Mulvaney: The charges were basic charges under, if I recall, the Ontario Water Resources Act and the Environmental Protection Act for emissions which impair the

quality of the water. I guess the court viewed them as related to the agreement in the sense these emissions came from the same mill which the court felt was subject to an agreement made between the district officer and the company which the court was going to make, in its own way, binding on us.

Ms. Gigantes: I find it very difficult to understand. Were the emissions of a nature which were outside the agreed-upon levels of the ministry agreement? I don't understand.

Mr. Mulvaney: The nature of the agreement to which the court put its mind didn't relate to specific emission levels. It was a case of the district officer saying, "If you don't get certain equipment installed by a certain date, you probably will be subjected to a formal order."

The court read that as an implication not to lay charges. It set out another course of action. Perhaps in reflection if we had it to do over again and if the prosecutor laying the charges had been fully familiar with the correspondence he would have delayed the laying of the charges a few months and probably avoided that pitfall. That's an indication of how we can control the situation to some extent.

How we adapt to it is when the file now comes to a lawyer. He's got a little more work to do than he had in the past. He's got to ask for all the correspondence between the company and the ministry. He's also got to have notes on any important conversations between the company and the ministry. He has to anticipate there is a good chance that abuse of process defence will be coming because there is always some kind of discussions which go on between ministry staff and the company over a period of time.

We have to be very alert to it and the field staff have to be alert to it, as the deputy minister indicated it would be reasonable to expect we will be seeing other companies relying on that defence.

Ms. Gigantes: I would think so.

Mr. Mulvaney: At some stage it may well be the right case will arise that both we and those responsible for the overall development of the criminal law will see as the right one to take to the Supreme Court of Canada.

Ms. Gigantes: Could I ask—

Mr. Scott: I think the sad implication of it is it makes it extremely difficult for our officers in the field to approach anything on a natural, reasonable basis in the first instance, for fear anything they say may create an error in law.

Ms. Gigantes: It is obviously a fundamental kind of problem for the ministry.

Could I ask this? I am not a lawyer, but surely it must be possible to have the discussion of control orders in each case identified as being totally separate from the ministry's responsibility and dedication to enforce emission standards. Surely it is possible just to formalize that in whatever correspondence or discussion there is with any officer of a company.

In other words, if you say to them, "Look, we are putting you under a control order and we have an agreement with you that you are going to be putting in such and such a piece of equipment by June 1981, but in the meantime—"

Always have a rider attached which says, "Any levels of emissions produced by your plant come under our responsibility to enforce this legislation and you better know it now and all the way through any other discussion we have about the control over the equipment."

It seems to me it is not an enormously difficult legal problem to separate these two issues.

Mr. Mulvaney: No. Of course I am not sure we could approach the problem by a standard form letter, Ms. Gigantes. Each situation is different. But I agree with you that in the tenor of the discussions it becomes very important not to leave any implication that an undertaking has been made not to lay charges unless indeed one has. That is, unless a clear-cut undertaking has been made that the ministry is prepared to wait until such and such a date to get this equipment installed.

If that decision has been consciously made, the courts will hold us to it. You do have to be very alert throughout those discussions but I can't agree that it would be as simple as my writing a form letter and giving it to the regional directors and circulating it.

Ms. Gigantes: You could put a button on their lapels so we could see that you are enforcing the emission standards of Ontario.

Mr. Mulvaney: "Nothing I say shall be taken as binding against me," might well be what our provincial officer might say. But the credibility of what he says is in issue because many times he wants them to take the things he says seriously. That goes for the good and for the bad.

Ms. Gigantes: This seems to be unnecessarily complicated. If the ministry is concerned that control orders be separated from the enforcement of emission standards then it surely must be within the competence of

the legal framework of the ministry to set that out as a pattern of operation.

Hon. Mr. Parrott: But you agree, I think, that control orders are an integral part of enforcement.

Ms. Gigantes: They may or may not be.

Hon. Mr. Parrott: They always are. There may be enforcement that is not related to control orders, but surely control orders are always a part of enforcement.

Ms. Gigantes: One of the ways you get your control orders obeyed instead of wading through months of court cases, perhaps years of court cases, or discussions around a table is to be able to enforce emission standards along the way. Otherwise, what discipline is there for a company? What urgency is there for a company? These control orders are forever shipped away from the horizon.

Mr. Mulvaney: A different philosophy is reflected in section 102 of the Environmental Protection Act. Perhaps it is a wrong philosophy.

Ms. Gigantes: No, that's what—

Mr. Mulvaney: It was passed by the Ontario Legislature and the philosophy is—

Ms. Gigantes: That's why our colleague has suggested that perhaps we need new legislation.

Mr. Mulvaney: The philosophy is that under a control order for a certain duration of time, once a specific solution to an environmental problem has been achieved or has been proposed, the company has a statutory protection from prosecution for matters related to that control order until it expires. I assume the Legislature intended that as a reasonable, temporary shield to have, given the fact that it is a condition of having that statutory protection that the company honour its commitments, that it meets all the stages set out in the control order.

I can only say that's a philosophy set out in the legislation itself.

Ms. Gigantes: You mentioned a six-month deadline for the application of the ministry to enforce.

Mr. Mulvaney: I think Mr. Bidell is referring to the standard limitation period under the Environmental Protection Act. It's one year under the Ontario Water Resources Act, but we must lay our charges within six months of an incident occurring.

Ms. Gigantes: Of an emission above standards, or of—

Mr. Mulvaney: For any infraction of our legislation we must lay the charges within six months of the incident occurring.

Ms. Gigantes: So if a company can get into court and delay things so you have to take another process on a charge, rather than the procedure initially undertaken by the ministry, if the company can delay the proceedings for that length of time and force the ministry into the position of taking a different legal approach on a matter your possibilities of prosecution disappear.

Mr. Mulvaney: Yes. Once the charge is laid, the limitation period no longer runs. We're in court.

But you are quite right. We live or die with that particular prosecution unless any new proceedings can be issued on the same information.

Mr. Scott: Or a subsequent infraction—

Mr. Mulvaney: On the Abitibi case, for example, that does end the matter. The court of Appeal has said you are involved in an abuse of process, this prosecution ends there and it ends there.

Ms. Gigantes: Mr. Chairman, it seems to me that what my colleague the Liberal critic is suggesting is that there has to be some resolution of this kind of difficulty, as far as the committee is concerned, in pretty short order. It seems to me that perhaps we should, on our own way, attach a control order to our guys that there should be some definition of how the ministry is going to proceed, either by a clarification of its legal authority in such cases under existing legislation or, as my friend suggested, a change in the legislation, because it seems to be that this is an ultimate kind of challenge.

Mr. Scott: I think though that these are generally pre-control order problems. Once we draft the control order we can, first of all, set some sort of standards in the control order.

For example, you are obviously putting the control order on because they are not meeting some certain standard. You could, for example, specify that they are not to put out more than 100 parts, which is what their current problem is, when the target is eventually 50 parts. They can only put out up to 100 parts until such time as they get in X pieces of equipment. If they were to exceed that then we would have an opportunity there to deal with them.

We also of course have the date requirements there. If they don't meet the dates, we can proceed against them on that.

I think the kind of problem which we have comes before the control order. That is, even when we first become aware of a problem the usual process is to assess the problem, discuss it with the company and try and see

if the matter can be resolved quickly without the formality of a control order. That is generally where you could get into difficulty.

Ms. Gigantes: You see, the control order in my mind, as a simple layman, is a means for the ministry to make sure it doesn't have to deal with the same problem over and over and over again. It doesn't have to take a company to court every day of every year. Right?

That is why you bring in a control order. You say, "Enough of this. We are tired of being in a situation of fining you forever in defiance of our standards, so we issue a control order." Now the issuance of such a control order which is a way for the ministry to get rid of this nuisance, this unacceptable nuisance—

Hon. Mr. Parrott: But also to complete the necessary procedures to protect the environment. It has a double edge.

Ms. Gigantes: Yes, oh, it has that double edge, but whenever you decide you have to use this weapon, it is an ultimate kind of weapon. It is a more ultimate kind of weapon for the use of the ministry than a day-by-day prosecution. They could bog you down forever in day-by-day prosecutions. So you get to the point where you say, "Okay, enough of this. We're going to order you to put in equipment that is going to remove this problem from our plate. We've had enough."

When you get to that point where you have to use the ultimate weapon and at the same time you somehow land up in the position where the court can say to you, "Well, you've used your ultimate weapon so you can't fine them for those day-by-day infractions until your time limit is set up," and you walk into this one—you know this ministry has some legal experience—walk into and lose a case like this I find it really hard to believe. If it fires the change in legislation or a change in how the ministry views and uses its control orders it requires, what are the other—

Mr. Scott: There was no control order in the Abitibi case.

Mr. Mulvaney: No. You are dealing with a situation—

Mr. Scott: Once you are in the control order, you are only limited by, in effect, our short-sightedness in how to deal with agreements.

Ms. Gigantes: There was an agreement.

Mr. Scott: But this particular problem was before the control order, that is attempting to negotiate a reasonable settlement or a reasonable arrangement to address the problem short of a control order and deciding in

a certain stage, because of want of good faith or what have you—and I'm not aware of all the history of that particular case—then you decide to prosecute. Their defence to the prosecution is, "You can't do that because you had an agreement with us."

Ms. Gigantes: Because of the agreement?

Mr. Scott: That was all at a stage before you get into a formal control order. If they'd been under a control order then they would have had to perform either the conditions and dates set out in the control order of every one of the failures to meet the conditions or dates in the control order would have given us an action against them.

Ms. Gigantes: Well, why didn't you use the control order?

Mr. Scott: Well, that's what we were—that's a good question.

Ms. Gigantes: I mean really—you really have had a lesson now in this case, surely.

Mr. Mulvaney: We did. That's correct, Ms. Gigantes. We had a lesson.

Hon. Mr. Parrott: And adjusted accordingly.

Mr. Chairman: Any more discussion on item 7?

Mr. Gaunt: May Mr. Mulvaney answer my other part of the question?

Ms. Gigantes: I think, for a moment—
[12:00]

Mr. Mulvaney: Just a summary; during 1978-79 there were 72 cases before the courts in that year. Some of them had commenced earlier, but they were before the courts under the Environmental Protection Act, the Ontario Water Resources Act and the Pesticides Act. That does not include the minor things such as boating regulations or motor vehicles. Of those 72 at the end of that year—I have the figures anyway up to April 1—32 resulted in convictions, four resulted in acquittals and the balance were still before the courts. So it was 32 convictions and four acquittals and the rest were still working their way through the courts.

During the period, the highest fine assessed under the legislation was \$26,500.

Mr. Gaunt: To whom?

Mr. Mulvaney: Against York Sanitation Company Limited, operating a waste disposal site at Whitechurch-Stouffville. It was convicted on 11 counts of failure to comply with the conditions of a provisional certificate of approval with respect to the amount of refuse which they may receive and for 31 counts of furnishing a provincial officer with false information by misstating the tons of waste

received for disposal purposes. That is the highest fine so far awarded under provincial legislation anywhere in Canada. That is the breakdown on prosecution activities during the year.

Mr. Gaunt: So you still have 36 to be dealt with by the court?

Mr. Mulvaney: This is as of the end of the year. Many of those have now worked their way through the courts. I thought it would give you a balance of how they go.

Mr. Gaunt: So that was up until April 1 of this year?

Mr. Mulvaney: Yes, of this year.

Mr. Chairman: Will item 7 carry?

Ms. Bryden: Yesterday I asked if we could get a list of the deadlines in the control orders which came due in 1979. Have they been met? And if not, why not? Does this come under Mr. Mulvaney's office? Every time a deadline becomes due does he get a report from the regional office as to whether it has been met or not? Does he keep these deadlines on his calendar and check to see if they have been dealt with? Who initiates the check?

Hon. Mr. Parrott: The regional office does and we'll deal with that in vote 3.

Ms. Bryden: I hope we can have a list of this situation.

Hon. Mr. Parrott: Yes, we are preparing that.

Ms. Bryden: Thank you.

Mr. G. I. Miller: Mr. Chairman, I had a similar question on control orders and that would be the place to ask it?

Hon. Mr. Parrott: Yes.

Mr. G. I. Miller: Thank you.

Mr. Chairman: Will item 7 carry?

Mr. Gaunt: Mr. Chairman, just before you leave item 7 I have just one question. I know there was some discussion with respect to ministry inspection reports being retained in the registry and being made available for public inspection. Has any more thought been given to that?

Hon. Mr. Parrott: Can we stand that down?

Mr. Gaunt: Sure.

Items 7 and 8 agreed to.

On item 9, Experience '79:

Mr. Gaunt: Mr. Chairman, I just have a couple of questions in this regard.

I gather that this year some 389 young people were working in Experience '79 on environmental research and straight student employment. I wonder what sort of follow up the ministry does with these young people.

gather they do have to submit reports for their employment has ceased. These reports are evaluated and hopefully some useful information is obtained from them. I have there were people involved in all sorts of things. I think some of the young people are directly involved in trying to combat pollution. They were also directly involved in setting up a number of so-called pollution problems. I guess in some cases they were allowed to start garbage collection services in various communities. I think a few of them did poster contests, presumably to make the public more aware of pollution problems. I think some of them were also involved in noting environmental safety.

When these young people submit their term reports after they have gone back to school, is this information used by the ministry? In what ways are they used? I would hope it would be useful.

Mr. Parrott: The quick answer is yes, it is useful and Mr. Higham will speak to it more directly. You would be interested to know it is not an uncommon occurrence for many students to write to the minister and inform him their experiences, and how they view the ministry. We have had two or three excellent critiques, always favourable, not always unfavourable. They write and I frequently see the reports. Let me have Mr. Higham give more details.

Mr. Higham: I think initially we should understand the projects are not accepted in the first place unless the various branches in the ministry are prepared to sponsor or to act as a liaison with the student team working on that project. Generally speaking, we see twice as many proposals as there are resources available to finance. The original proposals are circulated to the appropriate departments, wherever the university or faculty happens to be, and to the head office branches to identify whether there is a need for that particular project, whether it has already been researched to death and there is likely to be a little payback for any investment in it. We also to screen out any possible duplication of projects. Clearly that does happen from time to time.

Additionally priorities are assigned, because there are far too many applications for us to handle. I think, having got to the stage of accepting the project in the first place, there is a high degree of commitment on the part of the line branches in regions to utilize the results that may well come out of that research project. I don't think they would want to spend their time on projects that didn't have a high degree of success potential in them.

When the reports are sent into the ministry—and they have to be filed before they get paid for the total cost of the project—copies are made and circulated to the branches which either have a direct or peripheral interest in that particular topic.

One of the members of the committee which allocates the priorities to the projects is totally in charge of the ministry's research program, so he is in a good position to see there are no overlaps, if you will, between what students are proposing in terms of this program and the other ongoing research. Various parts of the ministry are already carrying out.

Mr. Gaunt: The one thing that triggered my concern in this respect was the fact five Carleton University students spent the summer studying new methods of determining the sources of oil spills in Canada's waterways. I would have thought that would have been pretty obvious. Am I missing something?

Mr. Higham: I don't have in front of me the details of that particular project proposal but it may not be as simply put as you have just stated. I think in the broad terms you are using it would sound kind of redundant to me also, but there may be elements within the project proposal, which I don't have in front of me, that might indeed justify that particular project being funded.

Mr. Gaunt: Okay. I just—

Mr. Higham: I'd be happy, for example, to get you a copy of the particular project proposal.

Mr. Gaunt: I would appreciate that because my understanding was all of these projects were screened and they were all deemed to be useful and productive. When I came across this one, I thought that has to be very obvious. I mean is this a make-work project or what is it? That is the reason for my concern.

Ms. Gigantes: There is so much oil poured on the water in Ottawa.

Hon. Mr. Parrott: Yes, yes.

Mr. Gaunt: They have to have a lot of oil up there to calm those troubled waters.

Hon. Mr. Parrott: Are there other projects on which you would like information, because it is relatively easy for us to get but not easy to have here today?

Mr. Gaunt: No, I think that was the—

Ms. Gigantes: Well, I'd be curious to see what kind of projects were being undertaken, because I can think of some I would like to help work out.

Mr. Higham: Yes, we can table a list of all the projects.

Mr. Gaunt: I think that will be all.

Mr. Chairman: Shall vote 2101 in total carry?

Vote 2101 agreed to.

Mr. Chairman: The committee will adjourn until 8 p.m. tomorrow evening. There is World Series on.

The committee adjourned at 12:09 p.m.

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No. R-17

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee
Estimates, Ministry of the Environment



Third Session, 31st Parliament
Thursday, October 18, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, OCTOBER 18, 1979

The committee met at 8:14 p.m. in room 18.

ESTIMATES, MINISTRY OF THE ENVIRONMENT (continued)

Mr. Chairman: The meeting will come to order.

On vote 2102, environment assessment and planning program; item 1, program administration:

Ms. Bryden: Since we had agreed to have one and a half hours on this vote in total, I would like to suggest that we devote half of the two and a half hours tonight to air and half to water—in other words, approximately one hour and a quarter to each—and the balance of the items be dealt with on Tuesday, another hour, we hope.

Mr. Chairman: Is that agreeable? Agreed.

Ms. Bryden: I have nothing on item 1.

Mr. Gaunt: I have nothing on item 1; on item 2 I have.

Item 1 agreed to.

On item 2, air resources:

Hon. Mr. Parrott: Could I hazard a guess as to what we may want to talk about acid rain? So, let's do the whole thing under this one vote. Let's deal with acidic precipitation, under vote 2102, item 2. Fair enough?

Ms. Bryden: It seems to me acid rain is with a combination of air management and industrial abatement. I would rather do it under industrial abatement, partly because one of our members who are interested in this subject are not here tonight. It seems to me it could come under either; it's a question of both of abatement and of management.

Hon. Mr. Parrott: When do you want to do it? We don't want to do it piecemeal, piecemeal.

Ms. Bryden: Acid rain? I think it could come under vote 2103 when we get to industrial abatement.

Hon. Mr. Parrott: We have our air people here.

Ms. Bryden: We don't have some of our people concerned with abatement here.

Ms. Gigantes: Certainly there are other questions to be raised under the air assessment question.

Mr. Chairman: Yes.

Ms. Gigantes: I have questions I would like to raise on that vote.

Ms. Bryden: I, too, have questions on air besides acid rain.

Mr. Chairman: Since the personnel are here, I think we should start on this item.

Ms. Gigantes: But, Mr. Chairman, just to clarify; what my colleague is suggesting is that we deal with the question of acid rain in toto, as the minister suggests, but under vote 2103 instead of under this particular vote.

Ms. Bryden: That's another argument for postponing it.

Mr. Chairman: I guess you could take it under environment control, anyway.

Mr. Gaunt: I think it would be well to treat it as a package rather than split it up.

Ms. Gigantes: We would like to do that too, if we could do it under vote 2103.

Hon. Mr. Parrott: If we're agreed to doing it as a package it's unfortunate that staff are here. If we're assured there will be no discussion on acidified precipitation there's very little point in keeping some of the staff here.

Ms. Bryden: On the contrary, I think all of us have some other questions.

Hon. Mr. Parrott: Agreed; we're not cutting that off at all, but we are going to do acidified precipitation at one time.

Ms. Bryden: Under vote 2103.

Mr. Chairman: Okay, you'll do it under the next vote?

Ms. Bryden: Yes.

Ms. Gigantes: Yes.

Mr. Chairman: Fine; agreed. We are on item 2, then, air resources.

Mr. Gaunt: I had some things but I was organized for acid rain, so I'm going to have to get reorganized.

Hon. Mr. Parrott: So were we, Murray.

Ms. Bryden: First of all, I have a general question that can apply to air or to other items, but it seems appropriate to raise it on

this first item dealing with the establishment of criteria, guidelines, mandatory standards.

My concern is with the minister's statement in his leadoff speech in which he says, on page three: "We are in the process of rationalizing our criteria for environmental policy, so they can be more directly related to our objectives and more compatible with the objectives or other jurisdictions; and as an ultimate objective, more easily understood and accepted by the public and by those to whom they directly apply."

I would like the minister to clarify what he means by that statement. To me it's a bit disturbing. If he's rationalizing his criteria is he weakening his criteria; or is he making his standards more acceptable to the polluters when he says "by those to whom they directly apply," or making them "more directly related to our objectives"? It depends what his objectives are; whether they are to clean up the environment or whether he thinks there is a conflict between cleaning up the environment and doing other things. I wish he would clarify that.

Hon. Mr. Parrott: I think you are reading things into that that aren't there. You almost have to have a wish to distort what has been said to come to that conclusion. I don't think it is at all nice, after Mr. Watson's great party, to suggest that he would do that. I received some of that good cheer in there and I will tell you that you are reading into it things that just aren't there.

Ms. Bryden: You will remember that last year's throne speech worried quite a number of people because it suggested there might be a loosening of environmental standards in the interests of retaining jobs.

Hon. Mr. Parrott: But you have seen no evidence of that, in fact the contrary.

Ms. Bryden: I'm not sure about that. We have seen some control orders—

Hon. Mr. Parrott: Look at the record we had the other night on enforcement; that is a long way from a loosening.

Ms. Bryden: But there have been control orders that have been relaxed.

Hon. Mr. Parrott: We have done a super job on that. We are simply saying to you, and I think you would agree, that the approach by any ministry should not be on an aesthetic basis but through a continuous updating of the standards and rationalization of the process itself. That's as logical as all get-out. If we hadn't done that, my goodness, we would still be back with 1969 standards. We are so far advanced over 1969 standards

today that we make those really look a they were in the horse-and-buggy days.

We are talking today in measurement trillions. They didn't even know what trillions were, almost, in 1969. We have advanced far in that 10 years that I think it is reasonable that we would say we are continuing in a dynamic situation in evolving to a better understanding of the problem and solution to the problem than we could have possibly comprehended even a decade ago because of technology, because of studies because of all those things.

Ms. Bryden: I would agree that shouldn't be static, but we have gone backward on our standards, as was true in Sudbury.

Hon. Mr. Parrott: No, it isn't. That is sad part. I am sorry to interject here, Chairman, but I just can't tell the members how wrong that statement is.

Let's take five minutes and compare air quality of 1979 to 1969. I think you would be absolutely impressed and amazed.

Ms. Bryden: I am talking about standard in the control order which has backed from—

Hon. Mr. Parrott: Let's take the fact they are today about the quality of air place in Ontario compared to a decade ago. I think it would be a revelation. I have said in the few speeches I have made that is really what is missing in our society. We make these great strides forward, we set new goals for ourselves, which is the way we should be, and then we forget from where we have come.

Ten years ago in Inco alone they were pumping up twice as much in Sudbury. That was the area you mentioned. I think I am correct on that.

Ms. Bryden: But we were asking them to get down to 750; now we are asking them to get down to 3,600.

Hon. Mr. Parrott: That's great, I can argue that; but never lose sight of the fact I don't know whether someone can give me that fact of 10 years ago quickly. I don't know whether Mr. Cross or Mr. Staple or whoever can confirm whether I am absolutely correct in saying that in that decade we have—

Mr. Gaunt: It was 5,600.

Hon. Mr. Parrott: I think it was higher than that 10 years ago.

Mr. Gaunt: I thought it moved from 5,600 down to 3,600 or 3,700.

Hon. Mr. Parrott: Even if that figure is correct—and I won't even worry about

ting that; let's accept that—what a far cry at is, which is what my point is, from having slid backwards. It is not an insignificant achievement.

Mr. Gaunt: They made that breakthrough in 1973.

Hon. Mr. Parrott: That is true of almost every science, I can recall very vividly the monumental breakthrough in my profession. They don't happen every day. They can't. Technology doesn't go that quickly.

Ms. Gigantes: They don't stop in 1973 usually.

Hon. Mr. Parrott: I have no illusions. I don't expect 10 years from now to be where we are today. I would be horribly disappointed if they are not better. In every area you can think of, medicine, dentistry, environment you name it—we will be further ahead.

Ms. Bryden: My next point deals with the question of auto emissions. A lot of us will recall early in August there was a big statement from the ministry saying new regulations had been passed under the Environmental Protection Act, under which the ministry could order tuneups and lay charges on motorists refused to comply. This was hailed as a great advance in cleaning up the pollutants from automobiles.

Very shortly afterwards the minister had admitted he didn't have the staff or the technicians to enforce this at all, and that it might be three or four years before these regulations would be enforceable.

This seems rather a hollow attempt at cleaning up the air, if we announce new regulations which can't be enforced for three or four years because of the operating budget of the branch.

There is a story from the Ottawa Citizen which says it is \$370,000 a year. I would like confirmation that there has been no increase at all this year and that the air resources division has a total of only eight full-time inspectors for the province to deal with this emission checkup. Four are located in Toronto, and they are able to do only crude tests from their mobile units, anyway. There is only one facility in the whole province, located in Toronto, that can do more sophisticated tests to see whether the vehicles are actually burning the gasoline properly and exceeding the specifications that are set out in the regulations.

The minister is quoted in that article in the Ottawa Citizen as saying it will be at least three or four years before the Ontario government can start enforcing its vehicle emission rules.

Somebody pointed out that the few mobile units they have can only spend one week in each city, or the cities they do get around to inspecting. So all one has to do is take the bus for a week and one will escape any inspection.

I would like to ask the minister, is this another example of cleaning up the environment by headlines, similar to the ban on the dumping of liquid industrial waste in landfill? What was the reason for passing these amendments to the EPA regulations before you were prepared or able to implement them?

Hon. Mr. Parrott: There wasn't a significant change in the regulations. We were essentially putting into regulations a practice already in process.

Ms. Bryden: But it hadn't been mandatory.

Hon. Mr. Parrott: I wouldn't knock the value of headlines. They aren't always good, I can tell you. But that one probably was read by a lot of people who said to themselves, "Oh, I didn't know. I better have mine checked. I had better be careful if I'm thinking of tampering," et cetera.

You would like to have a policeman on every corner of every block in every city. You can't. Once in a while to see that car out there does a lot of good; once in a while to read a headline about the importance of an automobile and the emissions is pretty valuable. We are not trying to do it with headlines only.

I would like to go back for a second to flush out what we were talking about before. I was handed here, just very briefly, the number of times in any year since 1970 that we broke the maximum level of emissions on the air pollution index in various cities.

Not only have we reduced the maximum index by a great deal, but the number of times it has been broken is significantly reduced. In fact, only six times in 1979. What a tremendous improvement in that one area, accomplished in 10 years—not by me or the ministry, though I would like to think it is partly due to the ministry's efforts. But it reads as though it is a different world in those nine years.

Ms. Bryden: Are you just talking about auto emissions?
[8:30]

Hon. Mr. Parrott: No, I'm talking about Ontario's air pollution index, the maximum level and the number of times that's been exceeded. We used to read columns 19, 23, 26, 2 and 20; that was in 1971. Now it's 1, 4, 0, 0, 0, 0, 1, 0. That was broken. What a fantastic accomplishment.

Enough on that. I regressed on that, but I think it just sets out again, in a factual way for the record, how much has been done in air emissions. I wouldn't tell you that I wouldn't like to have more enforcement officers, but I can't do everything we would like. I think the headline had some values. You know that. We can't do the impossible. We can't enforce every place. I think there are other areas that in the short time perhaps are more important.

The commitment is there to do it, and when we're able to, we will.

Ms. Bryden: I've never denied that the ministry has done a great deal to clean up the air in this province over the past 10 years, eliminating or reducing particulates particularly. But the auto emission problem is becoming more serious. It seems to me that you get two kinds of headlines. You get one headline saying the ministry is going to crack down, which may get people doing things. Then you get another headline saying, "Minister Admits Auto Pollution Law Unenforceable."

Hon. Mr. Parrott: On that point, I don't want to be too harsh. You see, in the decade that we talk about, it wasn't so much the enforcement that changed. It was the tremendous amount of legislation and regulation about new car equipment that changed. It must have had a profound effect. These figures didn't happen just by themselves.

I would think in these figures—I'll be glad to send this sheet over to you—a lot had to do with the automobile, the tremendous reduction. The attack on the problem was not by enforcement so much as the car itself once it was on the street, but indeed before it got on to the street when they put on tremendous emission controls.

Ms. Bryden: We know that a lot of that was federal legislation and US legislation that brought about some of those changes.

Hon. Mr. Parrott: There's a section here that the deputy has given me, section 6. "These standards are used by the automotive repair industry to check vehicle engines for satisfactory pollution control performance after repair or tuneup." That's being done. "Only poorly maintained and poorly adjusted vehicles should fail these tests."

"Section 7 sets out a form which police officers can use when they wish to direct motorists to the ministry's check lanes for a vehicle inspection. Previously, the police had been using the CB3 form, which was issued after a safety provision of the Highway Traffic Act, the use of which was considered dubious in some cases. The ministry was therefore

requested to develop a form for use under own act."

I think that answers specifically the question you raised about the change.

Ms. Bryden: Is it true that the budget this year is the same as for last year for air resources branch, the particular part the branch concerned with auto emission enforcement?

Hon. Mr. Parrott: Yes, salary is the change.

Ms. Bryden: So there are no more facilities available for carrying out these new regulations?

Hon. Mr. Parrott: No.

Mr. Havrot: This is a supplementary wanted to pursue further Ms. Bryden's remarks with regard to the air emission standards as far as automobiles are concerned. Would you suggest that every automobile that was built before 1970 be taken off the road? The emission controls did not come for automobiles, I understand, until 1970 or 1971. I happen to own a 1967 car. Does that mean that I would have to take my car off the road? How would you improve

Ms. Bryden: I think you have to enforce things as far as you can enforce them, obviously I would imagine the regulations would allow for exemptions if it's impossible to reduce the emissions.

Mr. Havrot: This is precisely what I'm driving at. How can we resolve the problem if we have quite a number of cars that were from 1970 and before without the emission controls on them?

Ms. Bryden: That will become an increasingly smaller and smaller percentage. It will resolve itself in time.

Mr. Havrot: Quite so. Does that mean that person who's driving that automobile from prior to 1970 or 1971 should be forced off the road?

Ms. Bryden: No, I didn't say that.

Mr. Havrot: You were suggesting that the minister should do something about it and would like to know just what you would suggest that we do about it.

Ms. Bryden: As I was saying, I think should concentrate on the ones where we can reduce the emissions.

Mr. Havrot: How would you reduce them on an automobile that's from 1970 or prior to 1970?

Ms. Bryden: Concentrate on the ones that are more up to date. You decide that you have to wait for time to solve the problem.

Mr. Havrot: That doesn't answer the question.

Mr. Chairman: I think you got your point across.

Mr. Mancini: I have a couple of matters I would like to discuss under air resources, the first one being a matter that I brought to the attention of the ministry on April 12, 1978, recorded in Hansard. The problem is concerning the Allied Chemical plant in Amherstburg, in my riding, which has a hydrogen fluoride plant.

Hon. Mr. Parrott: I hate doing this, I really do, because I remember being frustrated when I was sitting there and not here. That really is under industrial abatement, site 2103. I don't know whether we have left off here. You're talking about a problem that you said was raised before my time. I obviously have to look to staff. I just make the case, but you have to worry a little bit about that.

Mr. Chairman: I think if it comes under the next vote you'd better raise it there.

Mr. Mancini: There's nobody here who can do it?

Hon. Mr. Parrott: The regional director will be here at that time too and that'll help.

Ms. Gigantes: When will it be?

Hon. Mr. Parrott: It's an industrial abatement question. It'll be vote 2103-2.

Ms. Gigantes: I wish to discuss the same kind of problem but from an assessment point of view.

Mr. Gaunt: Isn't it an air emission problem? It's an air emission about which my colleague is speaking. You say the regional director will be here on Tuesday? It maybe that the presence of the person involved would be more helpful to my colleague, but not an air emission question.

Hon. Mr. Parrott: To put it in its simplest terms, I think our problem is if it's a theory or a problem, fine, this is the vote. If it's the practical application of that theory to a specific industry, then it would come under 2103 where we have actually put an order. We haven't put an order on a specific company. The concept is that this vote is more about the theory. I guess that's why we expected acidified precipitation tonight rather than later and the abatement policies on specific industries under 2103.

Mr. Mancini: He'll be here next Tuesday then?

Hon. Mr. Parrott: Yes.

Mr. Mancini: Fine, I'll be here.

Hon. Mr. Parrott: I apologize in a way for doing that, but we could skip all over.

Ms. Gigantes: I'd be pleased to go ahead and ask my questions about air assessment. Again, it will be on the subject of fluorides.

I'd like to refer the minister to material which we received dated June 29, 1979. It was addressed by Mr. Cross from the ministry to the editor of the Kingston Whig-Standard.

Hon. Mr. Parrott: Mr. Cross is here.

Ms. Gigantes: The material I am referring to right now, Mr. Cross, is the tabular information you provided to the editor of the Kingston Whig-Standard in which you gave readings in the period to September 1978, an average station reading for that period. As I looked through the information about the various readings that were received at the sites, a number of questions came to my mind and if you don't mind I would like to go back to the beginning to try to understand them.

Have all these sites been chosen because of complaints? How does the ministry choose a site where it is going to set up a station?

Mr. Cross: These sites were chosen essentially because there was a source of fluorides in that neighbourhood and we put out this form of monitoring called lime candles which essentially is directed towards sensitive vegetation effects.

Ms. Gigantes: The lime candle reading is, as I understand it from my lay reading of some of the literature, a reading which does not necessarily give you a reading about the actual level of fluoride contamination in the air?

Mr. Cross: Yes. This, as we have said several times, was one of the areas in the minister's statement on criteria that we are involved in rationalizing right now. The method is very imprecise. It's something you can afford to put out a great number of, and if you look at the data you will find we have put them out in some, I think, 90 locations.

The standard which applies to that method of monitoring is set only for sensitive vegetation. It has no relation to health effects. To put it bluntly, it's a cheap and dirty method of monitoring the presence of fluorides. We use it as an indicator of a possible vegetation problem and where we get high levels we follow up with analysis of vegetation to see if there is any further cause for concern.

Ms. Gigantes: When you talk about the re-evaluation of the criteria, are you considering recommending that the ministry use a new method of evaluating or assessing what the fluoridation problem is in terms of health?

Mr. Cross: We are evaluating four things in this area. First of all, we are re-evaluating the criteria. We know they only apply to sensitive vegetation such as peaches and grapes and this type of sensitive fruit. So we are working with our physicians in the Ministry of Labour to see if there is some way we can apply the criteria against health, that the particular method of monitoring has no direct application to health. That's one worry.

So we are looking to re-evaluate the criteria. Years ago we spent several hundred thousand dollars in developing a monitor for the continuous monitoring of fluorides; in other words, one which would give us the same as we get in sulphur dioxide and where we would get an instant reading and accumulative data that would relate to the quantity-per-cubic-meter type of thing.

This proved to be very unsuccessful. A manufacturer went into the building of this instrument. We had underwritten a development by the Ontario Research Foundation. These instruments proved to be very untrustworthy in the field and we finally had to discontinue their use. So we've fallen back on the candles.

Ms. Gigantes: What period of time was that?

Mr. Cross: That was about 1969 or 1970, I think, when we developed that instrument called the Leigh instrument and we quit using them somewhere around 1973 to 1974. Now we are re-evaluating instruments that have come on the market. There's one for \$42,000 and obviously we are not going to be able to afford too many of them. There are some other methods—

Ms. Gigantes: Would you really need many of them to monitor the high emission sites in the province?

Mr. Cross: In order to monitor properly we would need a lot of sites. You can't go into a neighbourhood and put one instrument in and think you are getting any sort of a readout on what the air quality is in that neighbourhood. That is the thing we like about the candles. It is cheap and dirty.

[8:45]

But we are re-evaluating the instruments that are on the market in this area. We are also at work evaluating the technology of the sources. Most of the sources in that report that are surrounded by lime candles are brickyards. This is a relatively low-cost industry. They would probably have high cost of controls that would be worth more than the brickyard. But we are re-evaluating everything we know about the brickyards, where the emis-

sions originate, what control equipment is available, to see if there is anything we should be doing about that.

Ms. Gigantes: Are the Americans using any of the kind of machinery you are describing?

Mr. Cross: As far as I understand, the Americans have discontinued the monitoring of fluorides for the same reason we did originally. There are only about three states we are aware of that are still using the fluoride candles. Where they are using them it is in conjunction with sensitive vegetation, but they don't have the same criteria.

The other criterion we use is fluorides in forage, because cattle eat the forage and of course they ingest all of the solid fluorides in it. So in that case of course they get the full benefit of it.

Ms. Gigantes: If I could refer you to a study I am sure you are familiar with, it is the National Research Council of Canada study called Environmental Fluoride 1977 by Dyson, Rose and John Marier. It was done for the Associate Committee on Scientific Criteria for Environmental Quality. What came through to me in that report was that essentially very little is known about the health effects of fluoride.

Mr. Cross: I don't think that is quite true. They have just recently completed a study in Newfoundland, and we completed a study back here in 1969. This was the subject of a royal commission, and we commonly refer to the report on that as the Hall report.

At that time, if I recall, the candle levels were at something like 4,000. The people felt there was certainly damage in that area in Port Maitland, to cattle and to vegetation but anybody who felt his health had been impaired in that area was offered hospitalization and complete clinical examinations. There was no evidence of any health hazard or at least any health problems related to fluorides. This, of course, concerned far greater levels than we are talking about in the data that went to the Whig-Standard.

Ms. Gigantes: If I can refer to the letter you wrote to the editor of the Kingston Whig-Standard, you referred to the level of emissions that had been recorded during the period the royal commission of inquiry was making its study. You say the highest annual mean fluoridation level recorded during the period was 3,642.

Mr. Cross: Yes. That was the highest annual average. Those averages we sent to the Whig-Standard are just monthly averages. The annual average would be considerably lower.

Ms. Gigantes: I know, but you said a moment ago that you understood the levels at had been recorded during the period of the inquiry were 4,000.

Mr. Cross: And some of the levels were the monthly levels. But the annual averages were 3,600, which is an extremely high annual average over 12 months.

Ms. Gigantes: I see.

I have no knowledge of the Newfoundland study. You say this has been done very recently?

Mr. Cross: This was published recently, and I think it was the Canadian Public Health Association. They produced a report for the province of Newfoundland relating to source of fluorides there. Their levels were comparable—and I have forgotten the average—I am quoting, as I did the others, from memory—but they were extremely high, much higher than any of the levels reported in the Whig-Standard. They did health studies with the people concerned, and again it came out there was no evidence of fluorosis in the population.

Ms. Gigantes: Could you tell me why it is that in the NRC study I find no reference to the bibliography to the Ontario inquiry?

Mr. Cross: I wouldn't understand anybody operating in that field without referring to the Hall report, because I think it is a classic.

Ms. Gigantes: I will go over the bibliography with you afterwards and you may be able to straighten me out on that.

Before we look at the emission levels, I am first going to ask you one more question about the Newfoundland study.

Your understanding is that the Newfoundland study, to your satisfaction and to the satisfaction of the health counsellors whom you consult with the Ministry of Labour, indicates there is no health effect at levels of 3,000, 4,000?

Mr. Cross: I said levels that were comparable. I am quoting from memory. I have said that study once myself, and we would be glad to lend you a copy of it—

Ms. Gigantes: I would be very interested.

Mr. Cross: —so that you could read it for yourself.

Ms. Gigantes: Okay. When I look at the large monthly tabulations that you have provided in the background information for the Kingston Whig-Standard, I was trying to figure out in my own mind why you would have a certain number of stations for a certain area. Is it that there is more than one station in some areas; more than one complaint

in some areas; the wind always blows in the same direction in some areas? How do you decide how many candles?

Mr. Cross: It depends, of course, on the meteorology. It depends on the size of the source, and we usually try to monitor between a receptor—in other words, residences—and the source, if there are a significant number. This, for instance, is the case for the large number down at Amherstburg. We have a relatively large source with a lot of residences within—I have forgotten—a couple of kilometres of the plant.

Ms. Gigantes: You probably have 20 around Amherstburg?

Mr. Cross: I think it was 22 at Amherstburg, as I recall, but I am going from memory.

Ms. Gigantes: But Amherstburg is not registering the highest levels that are recorded in this period at all. The Amherstburg area is not particularly high compared to several other areas.

Mr. Cross: That could be, but you would have to look at the location of the monitors. I am getting into the regional area of influence here on the specific source, but you have to look at the distance those monitors are from the plant.

You will find that in a lot of the other areas where we have only three or four, they are around a relatively small source, such as a brickyard, and they are very close in. The Amherstburg one is a larger source and they are deployed on a much greater area around the plant.

Ms. Gigantes: And are there criteria you have developed for deciding how many readings you will take on any particular site?

Mr. Cross: Yes. There are criteria for the setting of any kind of monitoring equipment. For instance, you don't put one adjacent to a stack, because then you are just monitoring the stack. I think that is one thing I should mention, too. Normally, in measuring ambient air, we try to get into a clear area where you are not just affected by one particular emission. This particular form of monitoring is aimed specifically at measuring the effect of a source, so in effect it is a kind of source monitoring as opposed to ambient-air monitoring.

Ms. Gigantes: So if you were living near a plant, in a direction that was downwind of the plant and which regularly received a higher than normal load of pollutants from the plant, these readings might not indicate that because they are not designed to do that?

Mr. Cross: I am sorry, you lost me on one of the curves there.

Ms. Gigantes: I'm trying to follow yours.

You suggest that what you are looking for in setting up the stations and making your readings is to get a clear air reading. You are trying to read the general load of pollutants from a specific source, rather than to try to pin down a specific area which is being particularly affected. Am I understanding correctly?

Mr. Cross: I should answer that with a "for instance." If we are monitoring SO₂ in the city of Toronto, we try to get a clear area like Queen's Park, where there isn't a stack dropping it right into the monitor—in other words, where it is going to be affected by several stacks with different wind directions, and you are giving them an average SO₂.

With the lime candle monitors, we put them where we anticipate the worst emissions from one source; in other words, we are not looking for the ambient air in Amherstburg. We are looking for the boundary readings from that particular plant.

Ms. Gigantes: I see. If you are in an area and you have set up six of your sites and you discover that the readings are relatively high, do you then decide to put in more stations?

Mr. Cross: Where we get high levels of flourides, the next thing we do is monitor vegetation, which means that our experts from the phytotoxicology section go out and look at the vegetation, visually, to see if there are any visual problems. Remember, these are experts in various botanical fields. They also take samples and bring them back to the laboratory for analysis to see what pollutants are present in the leaves.

Ms. Gigantes: You described the tests as being ones that are sensitive to the same kind of readings that would affect peaches, grapes—tender vegetation in other words.

Mr. Cross: Sensitive vegetation is a little different from tender vegetation.

Ms. Gigantes: I am interested, because we only grow corn in Carleton East, you know—

Mr. Cross: I don't know whether they get any trouble with flourides or not, but peaches and plums—

Ms. Gigantes: —and hay.

Mr. Cross: —and grapes are very sensitive to fluoride damage and it makes them commercially less acceptable. This is the problem. There is no health problem related to the vegetation, but it gets what they call—I should get one of the experts here—but some-

thing suture. The suture, if you eat it, taste bad and it looks bad, so it reduces the commercial value of the fruit. This is why this criterion is aimed at that.

Ms. Gigantes: For how many years have you been monitoring at as many stations as are listed in the information that was provided to the Whig-Standard?

Mr. Cross: It started—

Ms. Gigantes: Has it been a slow buildup?

Mr. Cross: Maybe I should say it started innocently enough several years ago. But traditionally, we have used the lime candle and the sulphur candles. We use them for trend as much as anything else. Some of them have been in for a long time, I'd say going back 10 years, but not all of the ones that were in that data that was presented to the Whig-Standard have been in that long. One set of candles has only been in for a couple of years, in response to a new brick yard that was built in the area.

Ms. Gigantes: How long have the ones in Brampton been in?

Mr. Cross: Offhand I couldn't tell you and I don't know. I get the word, the last several years.

Ms. Gigantes: For seven years?

Hon. Mr. Parrott: For several years.

Ms. Gigantes: For several years.

Hon. Mr. Parrott: We can have Dr. Linz come forward. He is our—I have trouble with this word—phytotoxicology expert. Not to imply, Mr. Cross, that you're not fine, but I just wanted Ms. Gigantes to know he was here and would be glad to answer some questions too.

Ms. Gigantes: Could I ask you, Mr. Cross about the minimum readings that are on the information I am looking at? There are several, I haven't counted how many, where the minimum readings on an monthly average over the period May to September 1978 are over 100. Several of them go over 200. The highest is one that is as high as 799, at some unspecified site in Toronto. When you get a reading like that, do you go and look at the vegetation?

Mr. Cross: Yes, that is correct.

Ms. Gigantes: In downtown Toronto? Or wherever the plant is in Toronto?

Mr. Cross: There is very little sensitive vegetation in downtown Toronto.

Ms. Gigantes: That's what I am wondering about. What does it tell you? Here you say you have your candles set up, you know that what the candles tell you is there m-

be a danger to vegetation, and as soon as you see that the candles are giving you a reading where there may be a danger to vegetation, you go and look at the vegetation, because among other things, you are concerned about affecting some cash crops in the province. But what does that tell us about people who have lived in that area for 15, 20 or 25 years? What do we know in a systematic way?

9:00]

Mr. Cross: This is why I say we're rationalizing our criteria in this area for this reason. We don't know that there are any health effects related to any of the levels. We do know from the Newfoundland report and from the Hall report in Port Maitland that there were no health effects at levels considerably higher than anything that was reported here. This tells us, in essence, that there are no health effects at those low levels.

Ms. Gigantes: I find that difficult to accept because of studies such as ones that were done in 1974 for the US National Academy of Sciences, and I can read out the recommendations of the findings reported in the NRC study, which indicate there must be further research on the health effects of fluorides.

Mr. Cross: I'm getting deeper and deeper into the health effects, which is outside my area of expertise. We have the director of the health services branch of the Ministry of Labour; they are our physicians in health matters. Perhaps you would like to hear from him. I am sure he would be glad to come forward.

Ms. Gigantes: Please.

Dr. Fitch: As Mr. Cross said, in the two major studies we are aware of in Canada, there have not been identified any human health effects.

I should mention, however, since the release of the information in the Kingston paper there has been a certain amount of concern among people who live around the brickyards the major one in Toronto and the one in Brampton.

Ms. Gigantes: And in Carleton East.

Dr. Fitch: These two for the moment have been brought to our attention, shall I say. The medical officers of health in each case have raised the question of whether there could be any health effect on people.

The most sensitive effect we know of from fluorides on people has to do with incorporation of fluoride in children's teeth as the teeth are developing. If one is to see any effect at all on a community, this is what you would

see—not necessarily a harmful effect, but that intake of fluoride of about three or four times as much as people take in if they have a fluoridated water supply will leave certain stigmata on the teeth that are recognizable.

Ms. Gigantes: I have them. It was fluoride in Pabulum in 1942-43.

Mr. W. Newman: Don't you use toothpaste?

Ms. Gigantes: I'm serious; that's what it's from.

Dr. Fitch: As a result of that, we have had a couple of meetings and it is planned to do surveys of schoolchildren in the sensitive area, between the ages of five and nine, roughly. Such surveys will probably be started in the near future. In fact, I have a meeting on Monday with the medical officers of health for Peel, East York and Toronto, and with a consultant from the University of Toronto, who happened to be the main consultant to that Hall report that was mentioned earlier and a man who has had a lot of experience in this field. We hope to set up a study. Presumably, six months from now or perhaps even sooner, we will know a lot more about whether there have been any effects from the brickyards.

Ms. Gigantes: Dr. Fitch, in studies that have been made of health effects of various contaminants, there is always a concern on the part of the scientists involved to separate out the working population who are exposed in an industrial situation from the resident population which may also be exposed because that resident population contains individuals who may, for all other kinds of reasons, be at risk. In a situation, for example, where one can see that children have been exposed to a high level of fluorides because of spots on the teeth, it may also be that the long-term effects on those children are not known—that you wouldn't know until you looked at what was happening with the other weaker members of the population, what the epidemiological results would be of a carefully studied large population of residents in that area.

Are you familiar with the NRC study?

Dr. Fitch: Yes. The report which came in?

Ms. Gigantes: Yes, the report. It's not a study, it really is a report on the scientific work that has been done in the area. You're familiar then with the recommendations which they repeat from the National Academy of Sciences Report of 1974?

Dr. Fitch: It's been a little while since I've read it too, but I have read it.

Ms. Gigantes: Let me read a few key recommendations from the National Academy of Sciences:

"(a) Additional detailed studies are needed of the health of human and animal populations exposed to high concentrations of airborne fluorides;

"(b) The gross effects of fluorides in plants and animals have been studied but much needs to be done on the basic biochemical lesions induced by fluorides, and on dietary factors affecting fluoride uptake by man;

"(c) The very large emission of fluorocarbons, freons, and their rapidly increasing use requires study of their distribution rate of degradation and possible effects on plants, animals and humans."

Again and again in this report, in discussing the health effects of fluorides, they cite the lack of real scientific knowledge of a mature, epidemiological kind, of the effects of fluoride emissions on human beings.

Dr. Fitch: What they're pointing out is that there are many things that aren't known about the handling of fluoride in the body and, as you say, the long-term effects.

Epidemiological studies, I think, could only bring out gross effects because when you're doing an epidemiological study you don't usually do, say, blood tests, bone samples and things like that on large groups of people, not even with X-rays. I don't think it would be justified to go around X-raying a population and yet it's known that the most obvious gross effect is an effect on the bone structure.

Of course, there have been cases of people being affected by fluorides. There are certain areas in the United States where the natural fluoride levels in the water are extremely high and where people have been shown to have bone defects related to fluorides.

Ms. Gigantes: Those are gross effects, though.

Dr. Fitch: Those are very gross effects.

Ms. Gigantes: If I can cite to you another recommendation of the authors of this report, recommendation nine, page 109:

"Fluoride has displayed mutagenic activity in studies of vegetation, insects and mammalian oocytes. There is a high correlation between carcinogenicity and mutagenicity of pollutants, and fluoride has been one of the major pollutants in several situations where a high incidence of respiratory cancer has been observed. For these reasons the relationship between airborne fluoride and incidence of lung cancer needs to be investigated."

So that's a little beyond looking at whether bones are being deformed. That's a measure of cancer rate in respiratory disease.

Dr. Fitch: I think one of the things that sparked the study in Newfoundland was that there was an increased cancer rate in people

who were working in mines where there was some fluoride. There was quite an extensive study done there. But as it turned out there is also a very significant level of radioactivity in those mines.

Ms. Gigantes: It is hard to separate it out.

Dr. Fitch: The people who did the study felt it was the radioactivity that was the cause of the cancer. Obviously, these are things on which we can only reach conclusions on the basis of statistical evidence but that was one of the major conclusions of the public health association's study in Newfoundland.

Ms. Gigantes: I am particularly concerned as a representative of a riding where there is one area where people are close to source of water which have to be monitored for arsenic and radioactive contamination, where wells are known to be contaminated by high levels of salt, from a site which the ministry has not been able to pin down, satisfactory and where they are also exposed to relatively high levels of fluoride emission from a brick plant.

I got a letter recently from a lady who has lived in that area for 15 years who says "What's happening to me and my family (1) because of the radioactive and arsenic potential contamination in our ground water (2) because of the known salt contamination in our wells and (3) because of fluoride emissions?"

I write back to her and say, "Well, people in this ministry say you shouldn't panic but I don't feel confident in saying to her if there were a problem the ministry would know about it because I don't feel confident of that. I don't feel confident in saying to her the medical officers of health would not if there were health problems of people living in that area because they don't feel confident that."

In an urban area such as the one I live in, people go to any number of doctors. There's no one doctor who is going to know if a number of long-term residents are experiencing unusual health problems. I don't know what to say to her. I feel that people living in that area are being exposed to hazards that we don't know enough about and I don't know where to turn, either to the local health level or in the provincial government, to begin to ask for that kind of problem to be looked at and, I am sure, for all the other areas where the fluoride count is high by the candle system.

There are probably other pollutants in those residential areas too and there must be many thousands of people living in Ontario

in similar areas who don't feel very assured about their unnatural environment, and how safe their families are if they continue to live there.

Dr. Fitch: I think the points you are raising are excellent and they certainly are of concern to everybody who is interested in public health. It is obvious you can't go and do a study in every single community or every place where people think they are exposed or where they are exposed to some kind of pollutant.

Ms. Gigantes: But when you cite me a study done in Newfoundland and you say the results of the study of the high rate of cancer, led to the conclusion that it had to do with exposure to radon, I assume in the mines, and you tell me there is no evidence that it's fluoride, what I want to say is, why don't we study it where radon is not a problem? Why don't we do a study here in Ontario?

Dr. Fitch: We are going to start, as I said, with surveys of schoolchildren and—

Ms. Gigantes: But surveys of schoolchildren are not going to give you the answer to what's happening to populations which may be weaker than normal.

Dr. Fitch: It is always a problem of what to study. If you take a group of people in a particular area where there is a source of fluoride and you study those people, I'm not quite sure what it is we would be studying but if we were to record all the illnesses of those people there would still be no way of knowing whether it was caused by fluoride or by something else.

9:15]

Ms. Gigantes: I certainly wouldn't suggest Carleton Place as a study site because there I think you would be dealing with mixed pollutants again.

Dr. Fitch: That's a great problem, but one of the approaches to this kind of thing which is becoming of great interest to us is to map out areas according to the causes of death in those areas. Unfortunately, the way things stand in our society we really don't have clear ideas of the distribution of illness in people who are still alive, and that's an area that could very well be looked at. But we do have pretty good information, reasonably good information, about the causes of death.

We have one group in Ontario that is starting to do this, to map out the causes of death, by counties roughly. The federal government is also starting a project of this kind and has already done some work on it. This, I think, will lead to some useful information

because if you can identify a certain condition which is more common in one area of the country, or one area of the province than another, then that gives you something to look for but if you just go out around a plant and say, "We are going to look at the health of these people," it really doesn't tell you anything because you may find some kind of condition that's more common than other and yet there may be some reason for it other than that particular plant.

Those are almost insurmountable questions at present. I think in the future we may some time get around to dealing with them if we ever have better records of the reasons why people go to see doctors or the diagnoses that were made on them.

Ms. Gigantes: I can't believe that it's not possible to do more research along the lines that have been recommended by the National Research Council report and I can't believe that the people who had made a thorough study of the literature on this subject up to the date of 1974 would make frivolous recommendations in this area. When they say that work needs to be done and populations need to be studied and the health effects need to be pinned down, I think they do it with their technical expertise because they think it's a serious project to undertake. It is not a frivolous thing that is being suggested.

Dr. Fitch: I wouldn't say it is frivolous either. But I would say I wouldn't know how to go about doing it.

Ms. Gigantes: Perhaps one shouldn't expect you to, but perhaps one should expect that people in your position would recommend that people who did know how to do it be hired to do it.

Dr. Fitch: The National Research Council is one of the agencies that supports medical research and I am sure that if it could find people to work on that who had good projects, it would support them.

Ms. Gigantes: Not necessarily. That very much depends on the money involved and I think there are some kinds of things that the province of Ontario should be willing to take on itself in terms of research in these areas.

Hon. Mr. Parrott: If I might interject on that note, Mr. Chairman, one of the things in my other portfolio that was always of some interest, and I am talking about grants to universities, is an area where I think we don't understand too well how many dollars do flow into that university community to do direct research, applied research, the whole gamut of research in the normal funding of the institution. If we could leave all of that aside, I think it's pretty well known that the

amount of funds going to the university is not just, of course, for the education of the individual but a lot of those dollars are for the continuation of the body of knowledge. You can toss around various percentages of that budget but it's pretty significant.

Ms. Gigantes: Mr. Minister, with respect, I have gone through the public accounts, for example, for the Department of the Environment at the federal level—

Hon. Mr. Parrott: I am sorry if I misled you. I was talking about the grants to the universities from the Ministry of Colleges and Universities, appropriation of funds. A lot of those dollars to the university community are applied to research. We don't label it research. We don't label it research per se. It's labelled as a grant to the university, and they apply those funds as they see fit, which is fair enough. But a lot of that money does go into direct research, over and above those dollars that are labelled in this province, from whatever source, for research. It is just a vast amount of money that doesn't get labelled as research.

Ms. Gigantes: I'm sure that if Dr. Fitch could report to me that there were studies being undertaken on the subject, of the nature that I'm referring to, he would do that.

Hon. Mr. Parrott: Relative to the fluoride, I could assure you that I could supply you with a vast amount of research information on fluorides. There has never been a subject more dear to the heart in the life of dentistry than fluoride research. It's been researched maybe with the point of view of dentistry too prominent, but nevertheless, as you heard Dr. Fitch say, the earliest clinical indications are in the dental enamel. So there is a great deal of fluoride research that has been done.

As a matter of fact, I think I could venture to say that of all the research that has been done during the great debates on the fluoridation of water supplies, probably there was more misquoting of that basic information than you can possibly imagine—it's just been a classic.

Ms. Gigantes: Mr. Minister, can I recommend to you that you take a look at the National Research Council report on fluoride research, because it names the areas—it outlines quite specifically the areas for public health purposes, and these are not people who are interested in promoting dental decay, these are people who are interested in detrimental effects of fluoride emissions.

Hon. Mr. Parrott: I missed that reference. Who's interested in promoting dental decay?

Ms. Gigantes: I was attempting to suggest to you that these are people, scientists

looking at the subject of research into the health problems created by fluoride emission and fluoride pollutants. They are not doing for the purpose of fighting dentists and promoting tooth decay.

Hon. Mr. Parrott: No, I didn't say that.

Ms. Gigantes: I just suggest to you, Mr. Minister, that in terms of your role, not as a dentist, but as somebody who has responsibility—

Hon. Mr. Parrott: I'm not talking as a dentist.

Ms. Gigantes: —for the possible ill effects of fluoride emissions in this province, that this kind of report makes me feel that there is very specific, very concrete work that should be done. I'm suggesting to you seriously that some of it should be done in Ontario, particularly when we have had questions raised in areas which are well known now, about the effects on health. It's a serious suggestion I'm making.

Hon. Mr. Parrott: I wasn't pooh-poohing it. I am simply saying that there is a lot of research done on a lot of subjects in this province, as in all other states and provinces.

Ms. Gigantes: There has been and always will be.

Hon. Mr. Parrott: And you can never possibly hope to exhaust the potential of doing research. It will always be far greater—

Ms. Gigantes: I'm not asking for an exhaustion of the potential for doing research.

Hon. Mr. Parrott: I guess I made two points. There will always be far more research to do than we, as a society, decide that we can afford to do. I think that has been basic throughout our history. Secondly, there will always be a lot more research done than you can possibly imagine to answer the problem.

Ms. Gigantes: That's fine. It would be lovely if everybody were a research scientist. I'm not suggesting that. I'm suggesting that this may be one of the prime areas of research that this ministry should be taking very seriously in Ontario. That is my very serious suggestion to you.

Hon. Mr. Parrott: I'm not arguing. I wasn't entering into a spirit of argument at all. I wasn't attempting to argue. I was giving another point of view, a piece of information that I think is relevant on the amount of research that has been done on fluoride in our university communities. I was putting a piece of information forward. I'm sure, for instance, in an area where I have a little knowledge, if you would refer to chap by the name of Nikiforuk, he would

ive you a tremendous amount of knowledge in the research that has been done on the human health—

Ms. Gigantes: I perhaps should have asked Mr. Cross when he was here how much money will be spent in 1979-80 for basic work in the assessment of the health effects of fluorides in Ontario.

Mr. Cross: I think Dr. Fitch could answer that question. He's our medical advisor.

Ms. Gigantes: Dr. Fitch. Yes?

Dr. Fitch: As I said, apart from community studies, I'm not aware of any fluoride research that's going on at the moment. That doesn't mean that there isn't any. There could be some going on in some of the universities. We don't always know what's happening. But we are not sponsoring any research at the moment.

Ms. Gigantes: When you say the community studies, you're referring to the medical studies of health keeping an eye on school-children, looking at their teeth?

Dr. Fitch: They're going to do a survey, yes.

Ms. Gigantes: I would like to suggest that perhaps the minister should consider this as an area where in fact there should be an effort made, through his ministry, to set out the definition of a study which would make sense in reaching into some new areas of understanding about the community health problems of being a resident in an area near a brick factory in Ontario.

Hon. Mr. Parrott: We'll give that serious consideration.

Mr. B. Newman: I would like to carry on in the same vein for a moment, Mr. Chairman, and bring to the attention of the minister the asbestos problem, in the vicinity of a plant that is actually processing or machining asbestos articles such as brake shoes and so forth.

I can recall contacting your Windsor office asking if they ran studies on the parking lot right next to Bendix Eclipse. Bendix, as you know, is the manufacturer of brake shoes and other items out of asbestos. I never really got a report as to whether there was any harmful effect to the residents in the area from emissions from that plant. There had been breakdowns in the past in the plant. Maybe some of that asbestos dust did get out into the atmosphere and settled on the unpaved parking lot.

I can recall, Mr. Minister, in the letter, it made mention of having that parking lot resurfaced or paved, so that at least the emissions wouldn't stay there; they could

easily be picked up, swept up, vacuumed up, and the residents in the area wouldn't be subjected to secondhand asbestos dust. First it was emitted from the plant, then it settled on the unpaved parking lot, was stirred up as the cars left the parking lot, and affected the health and safety of the residents in the area.

Abutting the plant is a residential section. There is no green area separating the Bendix plant from the residents in this location that I'm discussing.

Do you have any results at all of that, Mr. Minister?

Hon. Mr. Parrott: Before you came in, we had a question from Mr. Mancini on industrial abatement, and he was kind enough to agree that we would do that under the industrial abatement section, which is vote 2103-2, and that really would be when our regional director is here. They'll be here for that vote.

Mr. B. Newman: I'll accept that, Mr. Minister. I don't necessarily want an answer now. As long as they would give an answer.

Hon. Mr. Parrott: We certainly will do that, and if you're not here for that vote at the appropriate time, we'll certainly get that answer in reply to you.

Mr. B. Newman: We couldn't get any reply from the Bendix people; they absolutely refused to answer any letters.

[9:30]

Hon. Mr. Parrott: That is an industrial abatement program, and this, as I said earlier, is an air resources vote and is more on the theory, if you will. The discussion that went on about fluoride, without citing specifically, was a typical illustration of what applies to this vote, whereas if it were on the specific plant in question it would be on that vote.

Mr. B. Newman: You may be right in what you say, Mr. Minister, but you can understand also that it does get into the environment.

Hon. Mr. Parrott: It's in one of the other votes.

Mr. B. Newman: Well, we're on air resources, are we not?

Hon. Mr. Parrott: My point was that we're more on the theory and the concept of what emissions to the general air, ambient air, will do in a theoretical sense. It may be obviously a very practical sense, but we're talking about theory rather than talking about, under this vote, the specific program within a plant as it applies to the illustration you made.

If you want to talk about asbestos, then I think that's a different thing. Likely Dr. Fitch

will want to come back and talk about it. I use that term loosely when I say he'd likely want to, but I think he's prepared to.

Mr. B. Newman: That's the whole concern, Mr. Minister, the asbestos and its potential effect on the residents in the immediate area. Your ministry should have some results from the Windsor office. They were asked, and whether they conducted any studies in the Windsor area I don't know. But you could imagine yourself living in that vicinity and having this go on year after year, and not realizing that the effects of asbestos aren't shown immediately in so far as the health and safety of the individual go, but show up approximately 20 years later. These people, having lived in that area, and that plant having been there probably as long as and maybe even predating the residents in the area.

The unfortunate thing is that right next, and in that same vicinity, is the Wyeth plant. You know the problem, I think I may have raised it with you, concerning John Wyeth, the in-plant problem, but I wasn't concerned with that, because I knew it was in a different ministry. I was concerned with emissions that may come into the atmosphere and affect the health of the residents in the immediate vicinity. If you say that an answer to that can be given later, I will accept that.

Hon. Mr. Parrott: It will be.

Mr. B. Newman: All right. I wanted to ask you: Whose responsibility is it to monitor the health of the people in the area as a result of emissions from some industrial operation?

Hon. Mr. Parrott: We talked about that at some length the other night, and I guess there's no reason why we can't discuss it at greater length.

What we essentially heard the other night, if I could sum that up, was that the basic responsibility for the health of the people of any given area does rest with the medical officer of health. We rely on him. We heard varying testimonies, and you heard a little of it tonight. Ms. Gigantes thinks that it's not all that good from the medical officer of health in her region, whereas Mr. Taylor I think felt that it was.

Ms. Gigantes: I don't think I could let that go by without reminding the minister that I spoke of the difficulties of the medical officer of health keeping a close watch on what was happening in a densely populated area. That was the context in which I said I thought the medical officer of health in Ottawa-Carleton would have great difficulty carrying out that role.

Hon. Mr. Parrott: I agree. I wasn't implying that—

Ms. Gigantes: When I criticize Dr. Douglas I do it on my terms.

Hon. Mr. Parrott: I see. I wasn't suggesting that you were being critical. I didn't know the medical officer of health's name, it was the process you were not satisfied with whereas Mr. Taylor was.

We do have to look to them for guidance throughout our province. If the medical officer of health says to us that there is a problem, then the enforcement of pollution control obviously quickly shifts to us.

It would be wrong to suggest that it's one-way street. Our officers aren't exactly going around with their eyes closed to the impact of emissions on the health of the community. They are not all trained in the science of medicine, but I think they all have a fairly significant understanding of what they are looking for and the potential it has on the health of the community.

There are really three ministries that are involved and I think it's necessary to structure it that way to make sure that it's done properly. There are some who said the other night that probably when everybody's looking after it, nobody is. I don't think that's true. I don't find that in my community, but I guess you'd have to decide that in your own. I believe that, given the extensive amount of health care in this province and the amount of attention that is put toward communal health, the problem is quite well looked after.

I am quick to add that if we could only look down the road 20 years and get just a glimpse of what lies ahead we would make some fantastic changes tomorrow. I mean literally tomorrow. But we don't have the chance and we will never have that opportunity. Maybe it will always be something that we will regret, but I guess that's the frailty of the human mind to the moment and I don't know how we remedy it.

I am persuaded that when there is an indication given to our officials that a health hazard exists we will move and act on it.

Mr. B. Newman: Yes, I think you are right there, Mr. Minister. The thing that does disturb me is that maybe no one is doing anything at the moment. You don't have the board of health or the doctor responsible in charge of the board of health doing—shouldn't say you don't have him doing—he may be doing something on it, but I would say that's as a result of industrial pollution and that's the responsibility of the Ministry of the Environment.

That may also be pushed on to the Minister of Labour (Mr. Elgie) because it is job related, even though the pollutants are affecting the residents in the vicinity of a manufacturing operation or a scrapyard operation. We have had quite a bit of communication back and forth on the Zalev scrapyard in the J. C. Row and Howard Avenue area in the city. Most of it is a result of a pelletizing operation.

Hon. Mr. Parrott: Could I just quickly, for the record, say that in the Provincial lottery projects in the 1979-80 year we had three or four specific studies, assays of airborne and waterborne mutagens and carcinogens—those are hard words to say—and the epidemiological study of air pollution effects on child health study. That was funded to the amount of \$376,000, so I would hope with that expenditure we had a fairly significant study. It's one that's not completed. When it is I'm sure that we would be more than happy to let you have a copy of that study.

The third one is a study on autopsy materials for abnormal levels of lead and cadmium. You could say several things. There is a lot of money being spent on research, but you could take the very last one I mentioned, the studies of two metals; what are the numbers of metals in the elementary table—nickel, one of you scientists back there? About 80? The point is made. You couldn't begin to exhaust that amount, and yet I think no one could deny that you would like to study all of the metals. So we are trying, obviously, with two of the heavy metals, which seems to make sense.

There is a fourth one—the effect of noise on health and welfare. The last word surprises me, but there it is. That is in our industry alone. Obviously we are not unmindful of the health effect. Just for the record, I thought you would appreciate that.

Mr. B. Newman: Yes. I understand all of that, Mr. Minister, and I also understand that concern for the environment really is something that has come up within the last 10 or 20 years. Prior to that, smoke meant employment, whereas now the lack of smoke in some instances mean better style of employment.

Hon. Mr. Parrott: That's right. It truly is interesting to see the photographs of 1900. A good photographer in those days would take a picture of a factory without the big smoke. Someone brought that to my attention not recently and maybe I've become sensitized to looking for it, but it is absolutely true. Look at the 1900 photographs and you will see

the big plume of smoke going up, and it was synonymous with employment.

Mr. B. Newman: It hasn't changed in Sudbury.

Hon. Mr. Parrott: Oh, yes, quite a bit, but we won't talk about that tonight.

Mr. B. Newman: The other issue I wanted to raise with you—then I think I'll pass and let someone else have a chance for a few comments—was concerning the railroad tracks. You are familiar with the CPR separating two parts of the community, Remington Park and South Walkerville—

Hon. Mr. Parrott: Yes.

Mr. B. Newman: —and the effects of the CPR, and you know the fight that the residents put up with the CPR only to have partially lost the battle and maybe eventually lost the battle—I hope not. I hope the federal government has enough sense to realize that the CPR has been snowing the people long enough. The fact is they broke the law and put in a triple track in a vicinity that was just a thoroughway instead and a track that was carrying cargo from Windsor and/or Detroit on to points east.

During those debates I tried to leave the inference that you really cannot believe what the CPR tells you. Just a couple of days ago I raised the question with you of the four tank cars that were derailed in the community and it wasn't until I think two days later that you people were informed. One wonders how much you can believe of the CPR if it tried to keep this away, not only from you, Mr. Minister, but from the federal authorities and from the municipality.

In fact, I have a letter in front of me from the mayor of the city to the division superintendent of CONRAIL in Detroit, copies of which were sent to the Essex Terminal Railway in Windsor, the division superintendent of CONRAIL in Detroit, a second individual, to the superintendent of CONRAIL in St. Thomas, to an assistant superintendent, to the Canadian National Railways, Norfolk and Western Railway in London and to the CPR asking them to notify the municipality and you. They certainly should have notified your ministry of this.

Fortunately, I think nothing happened to cause any environmental damage to any of the residents, but how many times may something have happened in the past that the CPR just wouldn't inform you about? It leaves one suspect as far as CPR and its dealings with the community are concerned, refusing to confide in you, and I would say probably the federal officials and also the community.

It could have been extremely serious. The municipality should have been informed, the fire department should have been informed, the police should have been informed, but the CPR just kept everything mum.

[9:45]

I hope, Mr. Minister that you raise all the hell you can with those officials who would so utterly disregard and show such contempt for you, for the municipality in this instance, and heaven knows how many other times it may have happened with them refusing to divulge anything and getting away with it.

They got away with triple tracking. They got away now with this spill. How many other things did they get away with that none of us knows of? How many other times were they carrying probably more dangerous cargo and maybe there had been a spill? Just as sometimes people will dump liquid wastes in any ditch, drainage ditch, and don't care at all, the CPR could have—I am not saying they did but could have—done exactly the same thing in the past. It disturbs me very much that a big operation such as the CPR would have such contempt for you, Mr. Minister, for the municipal authorities, for everyone.

I bring this to your attention, hoping that maybe some of your officials can inform us at what stage the CPR informed you of all of this.

Hon. Mr. Parrott: You and I had a chance to talk a little bit after the questioning in the House, and I am sure your confere to your left will guarantee you that Bill 24 will take care of all that. He is pleased to be associated with the spills bill. I know he is. I am serious. I don't think there is any doubt that although it is a requirement now of notification, I guess we might have trouble taking the case to court if notification wasn't there. But in the future, it will be a violation of the new legislation with a penalty clause so that we will have the full force of the law in it. They may have done it yesterday but they won't do it tomorrow.

Mr. B. Newman: Have they informed you of the spill?

Hon. Mr. Parrott: They have now and it would be to our regional office, not to our head office.

Mr. B. Newman: It doesn't matter where as long as—

Hon. Mr. Parrott: That might have accounted for some of the delay in our officials knowing about it. I didn't know at that time and I don't think you expected that I personally would know necessarily.

Mr. B. Newman: No.

Hon. Mr. Parrott: At the time you asked I don't think our head office was aware, but I believe our regional office was.

Mr. B. Newman: The incident occurred in the evening of Tuesday, October 2. When were you informed?

Hon. Mr. Parrott: I know about what will happen in the future about notification. Can we be doubly sure that that has happened? Again, we can tell you that on Tuesday night. It is my impression, which is my deputy's impression, that that was correct. We will double check to be 100 per cent sure of that answer we may have said that quickly. Let me come back to that on Tuesday night and by that time we will have our man here and he will say either yes, they did it, or no, they didn't and no speculation on it.

Mr. B. Newman: I may not be here but I hope you'd have him put it in the record anyway.

Hon. Mr. Parrott: Yes. Why don't you ask me to go down personally and look at that because my son lives, as you know, pretty close to that location. He's seen all of your pictures in the Windsor Star and I'm worried about him. Yes, I am very worried about him.

Mr. B. Newman: No, you don't have to be worried about him. If he lives in the Windsor Walkerville riding he is in the select riding in the community and is well taken care of.

Hon. Mr. Parrott: I know he is and that's what's worrying me, Bernie. I mean he's saying, "How come . . ."—no, no, I won't go into that. I just wanted another reason to go to Windsor to see him.

Mr. B. Newman: You are always welcome to Windsor, Mr. Minister, and just talk to the people in the community of South Walkerville and Remington Park and see how they have been.

Hon. Mr. Parrott: I'm not making any headway with them at all.

Mr. B. Newman: See how they have been punished by the CPR.

Hon. Mr. Parrott: We have had some experience that it is not easy to deal with, but I am sure we do have that legislation well in hand.

Mr. Gaunt: Mr. Chairman, I have a couple of matters I was wondering about, first of all having to do with the farm pollution advisory committee; I believe that comes under this particular vote. I just wanted to find out a little bit about the workings of this particular committee.

We have had, from time to time in my riding, it being a fairly large agriculture

ing, a lot of complaints about liquid manure tanks. Farmers who live adjacent to a big liquid manure tank often have some problems with the operation and maintenance and odour control of those particular tanks.

I'm wondering just how the machinery within the ministry copes with these problems. We had some communication from time to time with the regional office about these complaints. They come out and investigate and they advise the farmer what he should be doing. Sometimes it's rectified; sometimes it isn't. Sometimes it's rectified for a short period and then the problem recurs.

Where does this farm pollution advisory committee fit in to all of this?

Hon. Mr. Parrott: I'm afraid I'd be more reticent to answer as a member than I would as the minister because I've had a similar problem many times. The deputy tells me he'd like to make some comments on that, but I hope after he does maybe we can explore it a bit. I know of your double interest here. It really is a very serious problem, not just environmentally but agriculturally. Perhaps the deputy will make some comments.

Mr. Scott: This is a particularly difficult one. I believe it started out originally in connection with air resources because of odour problems. Now it reports through our environmental approvals branch. Basically, on a practical basis, we refer to them those difficult, or what we think may be difficult, cases and try to make sure that the farm practices are properly understood and that we're not proceeding in any sort of unreasonable way because of, perhaps, our lack of knowledge or our inspectors' lack of knowledge, in some cases, of what are appropriate practices, as you're well aware. I think a number of the problems have been up in Huron and Grey and Bruce counties and so on.

This year we have had a rash of problems with liquid manure. We went through quite a period trying to determine whether we should put an emphasis on the education aspects. We were certainly, in a number of instances, convinced that it was more bad practice or a misunderstanding of the implications of some of the practices. What we eventually did was make an arrangement with the Ministry of Agriculture and Food to set up a number of information and education sessions. We accompanied that with some press releases to the farm media to encourage people to take part in this process, to go to the ag reps or our offices to get further information.

In addition to the carrot there was the stick element to the degree that we made it clear

we could be very direct and much tougher next year in these kinds of instances.

I think we were quite surprised by the rash of problems we had this summer and by the way they came about. A lot of them had to do with practices. What we really felt was the most effective way to do it was through the Ministry of Agriculture and Food, utilizing again senior and experienced leaders in the farm community to help sell this practice so it wasn't being sold by a bunch of bureaucrats from Toronto.

Mr. Riddell: Apart from the environmental problem, how is it a problem agriculturally? You mentioned that it was a problem environmentally and agriculturally.

Hon. Mr. Parrott: I think it's a problem in this sense, agriculturally, that we're seeing a concentration of animals on land that makes it a very difficult good agricultural practice to look after that waste on the land. They've got to transport it, and I think you'd agree that it's quite possible to have a 100-acre farm today that with so many pigs or cattle you couldn't possibly dispose of the waste from animals on that given farm. You've got to ship it to other farmers, agreed?

Mr. Riddell: Is that a problem, to ship to other farmers? There's a lot of that going on.

Hon. Mr. Parrott: I know there is. The point is, it wasn't that long ago that the amount of animal waste could be easily accommodated on the land you had. That, if you will, is now a problem.

Secondly, there are odour problems now, even for the farm dweller who's much more tolerant than the urban dweller towards that same smell; I think the concentrations are a problem to the farmer. He's likely able to put up with it, but I think it truly is a pretty serious problem environmentally when it hits the streams. Why I say it's an agricultural problem is that maybe they're quite prepared to live with it, but I think there are some things coming down the pike that have to be looked at.

For instance, should we or our sister Ministry of Agriculture and Food be really harsh in enforcing the fencing of liquid manure tanks? I don't know. Here we've got some really strong farmers. We certainly make the urban dweller fence his swimming pool, whether it's three feet or whatever. As we've heard about in Bill 24, you worry a lot about affecting the farm community. If we went out and got pretty aggressive about fencing all of the liquid manure tanks that are around our communities, the three of us, we'd be on a pretty active campaign for a few days, wouldn't we? Is that the solution?

That's why I think it's almost another vote, another ministry, but I know how important it is to our communities. As I've said, as a member I've referred it back. There's an appeal committee, as I'm sure you know, to the Ontario Federation of Agriculture. I guess the truth of the matter is, in those counties in southwestern Ontario with the high concentrations there are likely to be three or four feedlot operations that present some real problems, even though they're appropriately zoned. To the neighbours they're a real problem. There's no violations but that doesn't mean there's no small problem. Would you not agree?

Mr. Riddell: I agree that that's an environmental problem.

Hon. Mr. Parrott: You don't see it as an agricultural problem?

Mr. Riddell: I'm sure that as a cash crop farmer I would be more than willing to accept any animal waste that the farmer felt he couldn't apply to his own land.

Hon. Mr. Parrott: This year we had all kinds of spills in southwestern Ontario; some pretty serious ones.

Mr. Riddell: Spills?

Hon. Mr. Parrott: Yes, some pretty serious ones.

Mr. Riddell: You mean transporting it from farm to farm?

Hon. Mr. Parrott: Transporting it, not necessarily down the highway.

Mr. Scott: In these cases it was escaping from tanks or being deliberately released from tanks. In some cases it was being released at times when the ground was frozen and that sort of thing so it was running directly into the streams.

There were a number of instances of that nature. That's all I meant when I talked about farming practices. In some cases some farmers weren't quite as good as others or quite as careful in their practices about when they put the manure out. In other cases, their tanks just became too full. They had approved, useful tanks, but they had more stock or their stock had more problems or what have you. In any event the tanks had an overflow problem.

Hon. Mr. Parrott: I've had three or four fish kills in the great riding of Oxford. The staff is very kind to the minister. They get out instantly. We know there are fish kills but you know how hard it is to find out who did it. It's almost impossible to catch the incident. We all talk about hating to apply more regulations but the one that my farm community has suggested to me—there's

one veterinarian in Ingersoll who's always after me, "Why aren't you insisting on the minimum of fencing or protection?"

I'm not sure that's our job, but it could very well be. We, I think, stick our noses in other places where it's no more our job. It would be interesting to know, without trying to put you on the spot, though I suppose it would, to some degree, whether you think it should be our responsibility to consider those areas of potential hazard and that we, as the Ministry of the Environment, should go to the farm community and insist that a fence is erected.

[10:00]

Mr. Riddell: Maybe that should be included in the agricultural code of practice.

Hon. Mr. Parrott: Yes, but we could easily find ourselves facing the responsibility of enforcement.

Mr. Gaunt: My first reaction to that would be that I think the more appropriate course would be to try the avenue of education as you have been doing in terms of proper management of those facilities. I think that's where the big problem lies. The experience I've had certainly indicates that and in terms of an analogous situation I don't see too much of an analogy between a swimming pool and a liquid manure tank.

Hon. Mr. Parrott: Kids do walk by, and nobody invites your neighbour's kid into your swimming pool.

Mr. Gaunt: Kids do walk by but you're not swimming in that stuff.

Hon. Mr. Parrott: I know that's kind of funny, but the point is, I'd sooner take my chance in the swimming pool.

Mr. B. Newman: It's getting too deep for me.

Hon. Mr. Parrott: Too deep for you Bernie? Do you want to leave now?

Mr. Gaunt: There's no question that under certain circumstances it would present a hazard.

Hon. Mr. Parrott: It does under all circumstances present a hazard, doesn't it?

Mr. Gaunt: If the farmer's children are out at the barn or if they're out in the yard or if they're around the liquid manure tank, sure there's always the danger that one of them, particularly if they're preschool age, is going to fool around or fall in or whatever. There's always that danger.

Hon. Mr. Parrott: But you wouldn't go that far?

Mr. Gaunt: No, I couldn't go that far at this point. I think the appropriate step is to

to insist that farmers who are engaged in this kind of intensive farm practice get the appropriate information in terms of management of that facility. I think if they do that, that's a very big step. All of the problems with which I have been faced, as a member, have been really caused by improper management of the tank.

Hon. Mr. Parrott: Isn't that interesting? That wasn't the case for me. We had two or three or what we believe were deliberate spills into streams.

Ms. Gigantes: It seems in Murray's riding the farmers aren't devious, they're dumb. That's what he's suggesting to us.

Hon. Mr. Parrott: I must come to your defence, Murray. I've never thought of you as a dumb farmer of Huron. I've always known you as a good farmer of Huron.

Mr. Gaunt: Thank you.

Hon. Mr. Parrott: Fair is fair and we've been too far here this evening.

Mr. Gaunt: We're not dumb enough to fall. I'll tell you that.

Ms. Gigantes: It's not the kind of thing that tempts a kid on a hot summer day.

Mr. Riddell: Murray has posted around his nature holding tank, too, "Swim at your own risk."

Mr. Gaunt: And they do.

Hon. Mr. Parrott: They tell me that you don't tell when you're skinny dipping, either when you go in or come out.

Mr. Gaunt: In any event, what does this negotiation advisory committee do and how does it relate to what we've been talking about?

Mr. Scott: It's almost exactly what it says in the book. It doesn't sort of initiate things on its own. We call on it from time to time when we're in doubt about a practice or a procedure to determine whether it was a good practice or a bad practice. We call on these experienced people to advise us in connection before we proceed generally in any legal action or any other type of action. They're really just a very important touchstone for us in relation to agricultural practices.

Mr. Gaunt: How many are on the committee?

Mr. Scott: One hand says three, and the other says four, so it's somewhere between three and four.

Mr. Bidell: There are four, and I'm sure I could get the names for you if you wish.

Mr. Gaunt: I'd appreciate that. Are there some people from the University of Guelph on it? No? That's fine. I can get that later.

Hon. Mr. Parrott: I've met with the executive of the OFA frequently but I haven't met with that advisory committee, for what it's worth.

Mr. Gaunt: Okay. The board of negotiation settles claims, I understand, as they relate to damage to vegetation and livestock caused by pollution. How many claims have been dealt with and settled in the past year? Let's take the estimate year.

Mr. Scott: You mean on this committee?

Mr. Gaunt: No, the board of negotiation. How many claims have they dealt with and settled?

Mr. Scott: I'll see if we can get that for you. Dr. Linzon, can you assist us in that, please?

Ms. Bryden: I notice in the background book that they didn't spend a penny in settling any claims last year.

Hon. Mr. Parrott: They must have been very good negotiators.

Dr. Linzon: The board of negotiation is a three-man board, and it is its responsibility to negotiate a settlement of any claim for damages in which any resident or farmer suffers an economic loss to vegetation, trees, crops or livestock. You asked about the number of claims. In 1978, we received six claims from persons who suffered damages and there has been one hearing held in 1978.

Ms. Bryden: How did you manage to do all that without spending any money? The background book says the estimate expenditure was nil for 1978-79.

Dr. Linzon: That's not true. There was some money spent. I don't know why it says nil.

Ms. Bryden: Maybe it was less than \$1,000.

Dr. Linzon: Yes, that's true. It was probably less than \$1,000.

Mr. Gaunt: So the six claims were settled without a hearing, and in the one case there was a hearing?

Dr. Linzon: The situation is that the ministry investigates a couple of hundred claims a year of vegetation damage. In not all of them does the complainant become a claimant. In other words, he does not make a claim for damages in all cases. A number of complaints turn out not to be caused by a contaminant. Some of them are caused by a contaminant. The negotiation procedure is such that the ministry encourages private

settlement between the offending source and the complainant, so in many cases there is a private settlement before it reaches the board of negotiation.

Ms. Gigantes: When people make complaints of this nature are they informed that they can make a claim?

Dr. Linzon: Yes. In every case where a complainant's damage is confirmed to be pollutant-caused, he is informed of the board of negotiation's role, that he can have the services of the board of negotiation to negotiate a settlement. They are all informed of this.

The point is, over the past number of years when an investigation is carried out a technical report on the investigation is given to the complainant, to the offending source and to the board of negotiation. Because of the concrete evidence in the report we find that settlement is usually the case, that both parties will come together and settle it. Also, the fact that there is a board of negotiation to try to settle the claim reduces the number of requests for the board.

Mr. Gaunt: The estimate for this particular board of negotiation for this year is \$5,000?

Dr. Linzon: Yes, that's true. We never know from year to year how many hearings will have to be held, how many claims will turn into requests for hearings. It's kind of nebulous. That \$5,000 in some years may not be adequate, it just depends.

Mr. Gaunt: But you're not expecting a great upturn either?

Dr. Linzon: Not from the past few years' experience. Settlement seems to be the way most companies like to do it.

Item 2 agreed to.

On item 3, water resources:

Mr. Gaunt: Mr. Chairman, I want to take a few moments and talk about Lake Simcoe, because it is an important lake, in terms of its size, its location and its recreational value. I guess some 40,000 cottagers spend some time around there during some part of the year. It has been, at least up until now, considered a clean water playground.

I understand from discussions I've had that the lake is in serious trouble, and I want to discuss with you some of the problems, as I've been informed of them, and what might be done. I want to get the ministry response to that. As I understand it, in the early 1970s, both the Ministries of the Environment and Natural Resources undertook studies of the water quality in that particular lake.

I think there was a four-year study undertaken by the ministry. It was released June, 1975, I believe, and it showed some real problems. There was some constant growth of algae and weeds, and it was decided that the lake was going to have some problems in sustaining a fish population, notably whitefish and trout. They were the two that were mentioned.

The ministry put controls on sewage output in 1974, but these were not enough to solve the problems. Concerns among the local residents and cottagers on the lake grew, and in September 1975 I believe Georgina township and another township sponsored a conference at Keswick to discuss these. A committee of concerned municipal people continued to meet and in March 1977 made a submission to the cabinet. The submission expressed concern about the growing deterioration of the lake and the water quality, and asked for special legislation to try to clean it up.

After some two years of meetings—there were some 20 meetings and there was a steering committee involved as well—there was a committee report prepared and presented to the cabinet, and in that report I understand they outlined some of the problems as they saw them. According to my information the report was basically flawed in a number of aspects. I just want to take a moment or two and review these aspects and get the minister's reaction to them.

The report, however, did a good job of identifying the major environmental problem affecting Lake Simcoe and Lake Couchiching. The report said: "The major overall problem is that population growth in the basin, with associated urbanization and land use activities, has resulted in excess nutrient material in particular phosphorus, being released to the lakes. Periodic algae, scums, shoreline growth of attached algae, localized weed problems and localized turbidity problems are all the result of increased loadings of phosphorus to the lakes."

[10:15]

These phosphorus discharges obviously increase the growth of plant and weed and algae life in the lake which, of course, consumes the oxygen and deprive the fish of needed oxygen. As a result, I believe the whitefish population is gone. Certainly the lake trout are faltering and are not reproducing now, so they're in the final stage. Certainly, the lake is going to have to have some immediate attention and it's going to have to be done with some will and thru

the part of the government. Otherwise the things is going to have to be written off. I mentioned the flaws in the report. Just let me deal with those for a moment. I thought there were basically three flaws in that particular report.

The first was that the report adopts the wrong environmental goal. Much of the report is devoted to an analysis of the options. One option is allowing further degradation of the lakes. That should be rejected as totally unacceptable. The other two alternatives are maintaining existing conditions or improving existing conditions. The report claims to select the option of maintaining existing environmental quality.

Specifically, with respect to the phosphorus load it calls for limiting the phosphorus loading to the lake to 103 metric tons per year. It states that given current technology and projected population increases the alternative of improving existing conditions would require lowering the phosphorus level to 75 metric tons per year. That, in the report's view, would be prohibitive.

Hon. Mr. Parrott: Have you seen the report?

Mr. Gaunt: No, I haven't seen the full report.

Hon. Mr. Parrott: This is second-hand information?

Mr. Gaunt: Yes.

Hon. Mr. Parrott: It's very accurate.

Mr. Gaunt: I presumed that it was accurate because it came from a person who was involved in that report. As I say, I haven't seen the report per se.

Hon. Mr. Parrott: I thought you were reading from it. That's fine. I'm not worried about that, but I just want to be sure that—

Mr. Gaunt: I haven't seen the report, but I've seen a person who was deeply involved in the report and I was prepared to take that as pretty legitimate information.

The report goes on and says: "However, the population targets would suggest that despite these policies the goal of 103 tons of phosphorus per year would be exceeded in 10 years." If they opt for 103 tons now, in 10 years' time that's going to be exceeded and it therefore follows that the quality of the lake would further deteriorate because of that additional loading.

The second flaw that was pointed out was the fact that the report evades the critical issue, namely, the need to control development around the lakes. Although it identifies population growth as a major contribution to Lake Simcoe's pollution problems, it does not

consider the option of controlling the growth and development of new communities as part of the solution.

The third flaw is that the report fails to provide for an effective co-ordination mechanism. The present situation is impossible in that there are so many different levels of administration involved here—I think it's shared by 37 separate political entities, 25 different municipalities, four counties, six provincial ministries—and the report failed to come to grips with that in that it failed to develop an effective co-ordination mechanism to pull all of these bodies together.

Those are the three basic flaws as identified in the critique of that particular report. We now come to the solutions and how we can save the lake. I think the ministry should give this some consideration. Obviously, they likely have.

One of the solutions was to set lower population targets for the lake so that the additional loading would not occur. The second point that was made is to adopt 95 metric tons rather than 103 metric tons as the desired phosphorus loading limit for Lake Simcoe.

In addition, it was suggested that the ministry should control to a greater extent the agricultural phosphate pollution. This can be a problem where farmers sometimes overutilize fertilizer. I think it was suggested that perhaps overfertilizing in the areas of the Holland Marsh and Bradford Marsh should be investigated.

It was also suggested that a five-year program of inspection of septic tanks in unserved areas should be instituted, perhaps even using students to do this kind of work.

In terms of cost, cost is always a problem, but it was estimated that to maintain the existing environmental quality the total annual cost would be something in the neighbourhood of \$3 million when the basin population reaches the 300,000 people mark. If it was opted to improve the status of the lake based on the phosphorus loading limit of 75 tons, it would cost an additional \$4.8 million per year with the current population.

I just wanted to put those facts on the record, and indicate to you that in our view Lake Simcoe is a very important recreational lake in this province and it appears to be going down the drain. I think we should do something about it. Those reports have come to your attention. I believe a submission has been made to cabinet and I'm wondering what action you're prepared to take.

Hon. Mr. Parrott: It's hard to disagree with much of what you've said and I certainly

will not. I was thinking, as my first remark in reply, that I might say here is a good illustration of where it would be wonderful if the presentation that we had in our cabinet committee—and it hasn't gone to cabinet yet; it's gone to the Resources Development policy field and not to cabinet yet—if we could share that with a committee like this standing committee. I think it took an hour, and fortunately we have the person who made the presentation with us tonight in the person of Mr. Giles. We don't have to go too far for the source of the information.

As you carried on, Murray, I realized there was absolutely no point in our giving you any factual information. You had it all, I'm teasing a little bit, Mr. Deputy. He rightly says that's not 100 per cent correct.

Mr. Gaunt: I'll take 99 per cent.

Hon. Mr. Parrott: You did extremely well. You done good!

It hasn't gone to cabinet yet. It's at policy field and I think I'm correct—and I may need to be corrected here, in a much more serious vein—I think there are some comments yet from both the ministry and the committee themselves that have to be worked on before we go to cabinet. We're not, as a cabinet committee, ready to recommend to to cabinet yet. More work has to be done, but that is well in hand.

Having agreed with you on the basic concept of Lake Simcoe and its importance to this province, I'll turn it over to Mr. Giles. I would like to say that you touched on some of the things that have to be done. I think you recall—and I hope you don't find this too aggressive here—your leader made some pretty strong remarks about what should be done in that area. I couldn't argue with him, but what I feel he failed to do at that time was to point out the tremendous amount of control that goes with his suggestions. It is not incumbent upon him to do so, but you did.

You talked about controls on growth. That isn't the greatest thing since sliced bread in a lot of communities. It is not easy to walk into a community and say, "You've reached your maximum growth for the good of a lake that you can't see." It is downriver. It is not very easy to walk up to an individual and say, "You have had this septic tank for 15 years and you think it is working fine but it isn't, and \$3,000 later you will have one that will meet our standards."

That is where I really found myself taking issue with that particular situation. You didn't, and I am glad you didn't, because if we are going to come to grips with the issue of Lake Simcoe and improve the quality of Lake

Simcoe somebody must apply terribly strong controls on growth and the individual. So it means a heavy hand on people and a heavy hand on the municipalities.

Since it was elected persons who were very influential in that report, I think as you get some information now—if I shut up—and go back to him, I think you should also discuss with him the willingness of those elected officials to accept the controls that will be necessary to reach the objectives that you and I agree with. Having said that, I wish there was more time. We could spend an hour on this subject just so easily and it is so important a subject.

Mr. Riddell: What are the alternatives?

Hon. Mr. Parrott: There are some things we can do, and we can talk about that, but I don't think any of us who have positions of great responsibility can talk about Lake Simcoe as though there is an easy way. The only way to save Lake Simcoe and bring back the fish, as Mr. Gaunt has talked about, is with some pretty heavy controls.

Mr. Giles: Mr. Chairman, Mr. Minister, and members of the committee, as Mr. Gaunt has pointed out, this is a pretty classic study of the kind of trade-offs that one has to make in making environmental decisions. Here we have a lake which would approach a critical situation for a trout fishery. If the phosphorus loadings increase, we will lose a trout fishery undoubtedly in time in that particular lake, so the trick here is to arrive at a reasonable level of phosphorus loading from now on that would still permit the continuation of the trout fishery if that is what is chosen as the option.

In selecting their option, I think the steering committee and the report committee undoubtedly attempted to weigh the cost of providing that rather high quality of water and, in fact, perhaps returning it to a level would really sustain a self-perpetuating trout fishery against simply maintaining the quality of the water as it now is, which is in a somewhat precarious situation with respect to the trout fishery.

There are a number of things that can be done and every one of them has a price tag on it. For example, the removal of the sewage from Aurora and Newmarket when the York-Durham scheme reaches there will remove perhaps six tons of phosphorus per year. The installation of filters and the upgrading of the aeration facilities at Barrie and Orillia would remove some more, perhaps an equivalent amount. But this is all at a cost, and at a cost to the communities involved.

There are other things like storm water collection and treatment to remove say 50 per cent of the phosphorus from various urban inputs. But here we are getting into a new technology. We haven't really tried this anywhere in the province, and again, there is a cost involved with this.

[10:30]

There are a number of other actions that could be taken, among which is the removal of storm water and sewage from Barrie and Orillia and sending it to Georgian Bay. I don't know how popular a suggestion that might be with the residents of Georgian Bay, but that is a means of removing roughly another six tons per year, but again at a great cost. So the trade-off that needs to be made here is one of what level of quality in Lake Simcoe at what cost. I mean cost in terms not only of the dollars invested and annually to be spent by the residents from then on, but also the cost, as Mr. Gaunt has pointed out, in restricting growth, because the report indicated the various levels of growth that could be supported at the various costs.

I think you indicated a 300,000 population level. If we were to maintain existing water quality, for example, we would have an annual household cost of roughly \$310 per household per year and a total cost of roughly \$18 million within the basin that this would represent. That is an annual cost to maintain that sort of quality. It is roughly \$150 now per household that we consider to be the cost of existing facilities within the basin, so we are looking at a rather substantial increase to maintain the level at that level of population.

The municipal representatives have made their recommendation. We are costing that particular number out, and also some of the alternative numbers that there might be, in trying to come up with a rough estimate because it is very difficult to be precise in what must be done. I don't know how we would put a cost on the change in agricultural practice. I think many people are optimistic about this happening, because of the kinds of things that we have noticed in the increased awareness in the farm community as a result of the PLUARG study of the Great Lakes, for example, that something must be done.

We do see really positive signs, both in the Ministry of Agriculture and Food and in the farm community, that something could be done in this area. It is a good trade-off decision that has to be made and I can assure you we have considered it very seriously, both from the standpoint of staff and the residents of the basin who have been very involved in this study all the way through.

Hon. Mr. Parrott: I know it is 10:30. Mr. Bennett and I were to fly over the area or to tour the area the day that the committee asked us to be here on very short notice on the bill. I had hoped, for these estimates, that he and I would have looked at the thing. We had set aside the full day. It was easy to be here—I had nothing else to cancel but I am disappointed that we hadn't seen that area.

Mr. Chairman: The committee will adjourn until 8 o'clock next Tuesday evening.

The committee adjourned at 10:33 p.m.

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No. R-18

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee
Estimates, Ministry of the Environment



Third Session, 31st Parliament
Tuesday, October 23, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 23, 1979

The committee met at 8:06 p.m. in committee room 1.

ESTIMATES,

MINISTRY OF THE ENVIRONMENT

Mr. Chairman: The meeting will come to order.

Ms. Bryden: Mr. Chairman, could we look at a revision of the time allotments we had originally agreed on? We have run over on vote 2102 and therefore have to revise our time allotments for the other votes. I have put before the members a proposal for how the time could be divided for the next five sittings of this committee which should complete the work on the Environment estimates. I wonder if the members of the committee could look at that proposal and see if they agree with how we could divide the remaining 11 hours. I understand we have used seven hours to date.

The proposal for tonight is that we spend the first hour on water resources and the balance of tonight on the remaining items in vote 2102. Then on Wednesday we could spend the two and a half hours on vote 2103, except acid rain, and on Thursday we could spend the entire two and a half hours on acid rain if we need it. If we don't we could go on to vote 2104. The proposal is that we spend the entire Tuesday on vote 2104, which is waste management, and any uncompleted time on Wednesday, October 31, on vote 2104.

I would propose that as a target for the division of our time and hope that members of the committee would try and govern themselves in order to keep within those allotments.

Mr. Chairman: The minister informs me that it is satisfactory to him if the committee feels it is satisfactory to them.

Mr. Gaunt: Yes, I think so.

Mr. Chairman: Carried.

On vote 2102, environmental assessment and planning program; item 3, water resources:

Mr. Gaunt: Mr. Chairman, I have a number of matters I would like to raise under this vote. I dealt with some of them in my opening leadoff and I would just like to pursue that for a moment to see if I can get some answers from the minister.

Ms. Bryden: Mr. Chairman, I thought Mr. Gaunt had had a period on this vote. I thought it was my turn—that when we finished last time you were—

Mr. Gaunt: We were on Lake Simcoe when I finished off. If you want to go ahead, by all means, I have some more material.

Ms. Bryden: We have one hour left and I think you have already had a fair go at it. Can you come back later if there is time?

Mr. Gaunt: In that event, Mr. Chairman, I would want to come back to it, I have no objection to Ms. Bryden going ahead now, but I have some additional material which I feel is rather important. Whether we do it under this vote or the next vote is really quite immaterial because we are going to be bound for time in any event, no matter how we treat it. So it is quite all right with me.

Mr. Chairman: We will give you the opportunity, Mr. Gaunt.

Mr. Mancini: Just not enough time, Mr. Chairman. Why wait? Do it now.

Ms. Bryden: Mr. Chairman, there is a very important matter I wanted to raise under this vote and I don't think we have had a lot of discussion on it in the estimates in the past. That is the question of our shrinking wetlands.

I think members may have received the latest issue of the magazine of the Federation of Ontario Naturalists which deals with this subject in great depth. It is a matter I raised last year but I think it is a matter that requires much greater focus on it.

I would just like to read one or two comments from the FON magazine to set in context why it is so important. On page 37 of the magazine they say, "The attitude that wetlands are uneconomic wastelands has prevailed for a long time." Then going down further: "The value of wetlands—as wildlife habitat, as places for education and recreation, and as water controllers and purifiers—provides benefits to all of society."

In addition to the values that are mentioned there is the value of preserving our groundwater supplies and our aquifers, which supply a lot of the wells in this province.

The publication points out that the wetlands have been shrinking dramatically in

recent years. They point out that in southern Ontario some of the losses are staggering. Some 25 per cent of the Lake St. Clair marshes have been lost since 1965. Up to 75 per cent of the original marshland along the chain of Kawartha Lakes in the heart of the cottage country has gone and almost 9,400 acres have been destroyed from an original 22,000 in the marshes along the north shore of Lake Ontario.

These are only some of the major losses in wetlands. There are a number of losses of minor wetlands, but when you add up the thousands of them and their importance in the ecology, I think we are facing a major environmental crisis in this field. The FON has drawn up a proposed wetlands policy that I would like to put on the record so the members of the committee could look at it, and perhaps we could get some comments from the minister on this policy.

[8:15]

I'm sure it is a matter that cuts across several ministries. It affects Environment, it affects Natural Resources programs, it affects Agriculture and Food—some of the draining of wetlands has been to produce more agricultural land. Some of the draining of wetlands, though, has been of somewhat minor value, and perhaps even counterproductive in terms of our water supplies and in terms of the possibilities of wetlands acting as purifiers and their effects on wildlife habitat.

I think we should really be looking at the development of a new policy to preserve the good wetlands, the ones that are really needed, and to drain the others if they can produce more productive agricultural land. But where we do drain them we should also consider the possibility of providing replacement wetlands for the wildlife that has been inhabiting them and for the other benefits that come from them.

The replacement policy has been adopted as part of one of the US agency's policies and I think it is something we have to start looking at if we want to really preserve our environment.

I think the Minister of the Environment is one of the ministers who should be the most concerned about getting a wetlands policy developed in conjunction with his colleagues from the other ministries. But I think he is the one who should give the leadership, because it does affect our whole environmental protection program and I think it is basic to it.

The policy proposals put forward by the FON are sixfold. I will just summarize them briefly.

First, "to substantially increase public understanding and appreciation of wetlands and their values."

Second, "to encourage government recognition of the biological, hydrological, educational, recreational, scientific, aesthetic and associated economic values of wetlands, and in doing so to assist in the development of a comprehensive wetland policy." This would include both provincial and municipal action and multilevel activity, including Hydro as well as provincial parks, conservation authorities, regional government and local government.

Third, "to propose amendments to existing legislation and policies to conform to this statement of goals and to achieve them, and to ensure that wetland destruction is not encouraged or subsidized in any way"—that is, the destruction of valuable wetland.

Fourth, "to seek changes in the basic approach of existing legislation and policies to recognize that wetland protection is in the public total interest and to permit wetland destruction by individuals or agencies only when the anticipated private and public benefits can be demonstrated clearly to outweigh the wetland benefits lost." I think that's a very important point. It may appear we have a conflict between the needs of agriculture to drain swamps in wet areas and the needs of the ecology to maintain wetlands, but I think you can evaluate the net benefit from any given wetland and decide what is best for the total environment.

Fifth, "to encourage for certain threatened types of wetland implementation of a requirement that any wetland destroyed through public or private actions must be replaced on an acre-for-acre basis through wetland creation elsewhere."

Sixth, "to encourage creation within the provincial government structure of a small group with a prime responsibility for wetland protection to carry out all of the policies that are needed." They list a number, including co-ordination of the efforts of the agencies, enforcement policies, perhaps developing incentives of a tax nature and others for carrying out protection policies and promoting public interest in and understanding of wetland protection.

I think if we were going to adopt this sort of an approach it would require a major initiative by the Minister of the Environment to act as the catalyst to get the multi-agency body going. Perhaps he could involve non-governmental bodies in some sort of an advisory board and to help develop the policies, but I think the initiative has to come from the minister. I would like to ask him if he would

comment on his concern about the issue and whether he thinks that it could become a major project of the ministry over the next year.

Hon. Mr. Parrott: There can be no doubt, not only on a personal basis but as a reflection of the ministry policy, that we believe very strongly in the preservation of the wetlands. We had a presentation last Thursday by the conservation council and representatives of the federation of naturalists. They are here again this evening and I think there was a pretty positive exchange at that time. That presentation was to the cabinet committee on resources and there were some interesting exchanges there.

One of the things I was not aware of before that presentation was that it is quite possible to trade off old for new, if you will, and that even in creating a new marsh it can be actually better than a poor old marsh. There are certain marshes, I understand, that are absolutely essential and that we must keep at all costs. There are other marshes where you could create a new one and it would perhaps be better than the one you lost.

Again, as an aside, I can't remember any press that was received so favourably as the press release that Doug McTavish put out on the Listowel experiment for sewage treatment in the marsh area; the comments from the media and the response to the ministry on one small item has been unbelievable. I have noticed that other papers are taking it up and reprinting it. So we feel very strongly that there is a lot of value in wetland.

I think the presentation of the conservation council was to the right party, that is the policy field, because here is truly an area where it cuts across so many ministries.

We don't have, if you will, a direct mandate. I think that's possibly more for the Ministry of Natural Resources than ourselves and I hope that this presentation might be gained made there. I'm not saying that we won't be supportive—we are, and I want to be very positive about that—but I think our chances of coming into direct assistance are less than they would be with our sister ministry or, indeed, with Agriculture and Food.

So the policy field, I think was the place to make the presentation and I thought the council felt that they were sympathetically heard on that occasion and wherever we can protect the wetlands of Ontario we will.

I would think—and I hope you might agree with me—that the better ministry to take the lead role, if you will, is Natural Resources. I think ours is more of a protection agency than it is a development agency in that sense. Would you not agree that if you

are asking us to be the lead ministry we really don't have the same jurisdiction or position to help as Natural Resources would? We have a great opportunity to protect that which we have, but not to develop new ones.

Ms. Bryden: Mr. Minister, is not the first step before any change is made in present wetlands an environmental assessment, and if so, would it not come under—

Hon. Mr. Parrott: Not always. I can think of many times when a farmer owns a good wetland area and there is no assessment. It is zoned agricultural, the trees are gone next morning and the wetland is gone. We had no reason to be there to protect that wetland. We feel very sad about it, but the jurisdiction doesn't give us that opportunity to control that land. If you are doing a whole area then of course we do, and I agree that would be our role. But I think it is one of the real concerns of those in southwestern Ontario to see some wetlands going.

Ms. Bryden: Would it not be desirable to perhaps work out a classification system whereby wetlands that have certain values were classified as requiring environmental assessment wherever they were and perhaps the Environmental Assessment Act could be extended by designation to those areas? Would you not think that might be an approach?

Hon. Mr. Parrott: The hooker comes on a specific project; where there would be a major conversion of course it would. Let me give you another illustration of where we have involved ourselves. As Mr. Eaton would know it's pretty close to home; a thing called a dam up near our ridings where an environmental assessment is going to be held. I don't think there is any doubt that if you get into that kind of a project the Environmental Assessment Act is there and can act very forcefully in favour of the maintenance of wetlands—or, indeed, creating them. But that's quite a different thing from the small acreage loss which one by one could total a fair amount.

I wish I could persuade you to make your case where I believe it more logically could and should be made and that is in the estimates for the Ministry of Natural Resources. We'll be there protecting wetlands when it requires an environmental assessment.

But I don't think you are proposing that a 20-acre swamp which is on my property and another 20 acres that might be on the neighbour's property next door—it's 40 acres and it's very important—I don't think you are proposing an environmental assessment when the farmer changes that land use from wet-

land to dry land. You and I might be opposed to it, but that doesn't say the same thing as proposing an environmental assessment where a farmer changes 10 or 20 acres of land use.

Ms. Bryden: Perhaps we don't know the effects of what has been going on in the last five years since we've had the new Drainage Act. Might it not be a good idea to ask the government to undertake a survey of what has happened to our farm land and wetland since that act went into effect? Perhaps from that we could find out whether additional extension of environmental assessment is needed in that area. Or what has actually happened; we don't really have the facts to know how the individual drainage—

Hon. Mr. Parrott: Only because I am personally interested in it. I know that the Upper Thames Conservation Authority this year is purchasing quite a large number of acres in my own county and very close to home to be sure that they stay as wetlands. They have been wetlands, I guess, ever since time began—certainly as long as I have been in the county and I have seen no move to change them. To guarantee that, funds were appropriated this year to purchase them and make them crown property.

I think that is going on and, again, it is a natural function of either the conservation authorities or the Ministry of Natural Resources. I just feel the promotion of the wetland concept is a very desirable one. I was just hoping that you would see that the more logical place for that is in Natural Resources.

Ms. Bryden: I guess what I am saying is that as the overseer of the environment perhaps you are the one who should initiate the study of what is happening and what has been happening in the last five years in the way of loss of wetlands and what effect it has had on our water supplies, on our wildlife and generally on the opportunities to purify water.

[9:30]

Hon. Mr. Parrott: I have tried in my illustration to tell you how many times we agree with you, but to put that lead role in ours, I don't agree.

Ms. Bryden: On the Port Maitland proposal for the massive development of both an industrial park and a ship repair yard and various other things involving considerable dredging and alterations to the harbour, which will also affect a large wetland there, would you not think that is an area that should be designated for environmental

assessment before that large project goes ahead?

Hon. Mr. Parrott: I'm not persuaded it won't have an environmental assessment at this stage of the game, not by any stretch of the imagination. I think here is a classic case where now we can be on the side as the lead responsibility for this ministry. I think there is no doubt we do have and should be charged with that responsibility and I think we are taking it. I don't hesitate in saying we are doing our utmost in that regard with our sister ministries and with the firm itself.

There is a wetland with a positive proposal to change it. Whether or not, given the evidence I've heard in the last two weeks, there are trade-off possibilities—I don't mean wet for dry, I mean wet for wet—and improvements is another item. Frankly, I think you need the testimony of experts on that because I thought in my naive state, a wetland was a wetland, but that's apparently not so, you can improve on them. On other marsh areas, you just cannot by artificial means recreate the value of a wetland. It has to be by the natural process or it doesn't occur.

In the specific area you are talking about right now, I'm not sure there aren't possibilities for trade offs. There is no possibility in my mind for a reduction of the amount of wetland in that general area. Maybe there is value in trade off, but we will be there as a lead ministry trying—

Ms. Bryden: An environmental assessment might be able to look at those alternatives.

Hon. Mr. Parrott: I am absolutely persuaded there will be an assessment on that wetland.

Ms. Bryden: But only if designated under the act by you.

Hon. Mr. Parrott: No, not necessarily.

Ms. Bryden: The act does not apply to the private sector at the moment.

Hon. Mr. Parrott: No, it doesn't apply unless I apply it, or it is requested. Certainly if it is requested we will be more than pleased to have it done. I would hope by gentle but positive persuasion we will be able to persuade all those people involved in that particular project the assessment is the right way to go.

Ms. Bryden: Is the regional municipality also involved to the extent they might request an assessment? They would not be required because of time under the act to have an assessment.

Hon. Mr. Parrott: No, I don't think so.

Ms. Bryden: Are they involved in the plans?

Hon. Mr. Parrott: They would be involved but not in the sense of required. I doubt if they would request an environmental assessment, I think it would come more likely by designation or from a request by the proponent. Those are the only two routes I see for that particular development to have an environmental assessment. I am persuaded at this time we will have one.

Ms. Bryden: If within a reasonable time there is not a request, has your ministry considered that is an important enough area to designate without a request?

Hon. Mr. Parrott: Certainly I will not lose that one by default, let me put it that way.

Ms. Bryden: Thank you, Mr. Chairman. That's all I have on that particular item and I'll let others have some time and perhaps come back to other items.

Mr. Chairman: Mr. Gaunt.

Mr. Gaunt: I'll just pick up where I left off. We were talking about Lake Simcoe the other night and the minister had responded to some of the comments I had made. I'll just sort of wind that part up as far as I am concerned.

Is there any way in which the ministry can take steps immediately to reduce the phosphorus input into that lake? At least it would ameliorate some of the problems which are being experienced there.

I gathered from the other night that you're really a piece off in terms of coming up with some sort of action plan. You have to present this to the cabinet, from there it goes into a formal stage and then you embark on your action plan—and that could be two or three years down the road.

Hon. Mr. Parrott: I don't think it will be that long. In the last two days I signed a letter with more information to our committee. I know it's agreed that we'll be back to the resources development committee in the near future. We should hear from Mr. Newman; he'll be able to tell us the exact date. He was there. My memory is cloudy but if I remember correctly there was a feeling of urgency on that at the time we made that presentation. I think it's only a matter of weeks before that will be finalized with ourselves.

The next step is a return to the elected local officials, and surely they will share our concern on this item. I see nothing that talks in terms of years. There are two or three very difficult decisions that involve a lot of money and control, as we talked about the other

night. Not for ourselves; for ourselves it will mean a percentage of funds that they expend, but it means in some cases a pretty large amount of money. I think we have to involve the locally elected officials on that, but I really don't believe it's a matter of years.

If you have some more questions of a technical nature, Mr. Gaunt, Steve Salbach would be pleased to try and answer some of them. I'm saying to you that as I read the situation, six to eight months will likely bring those policy decisions, not years.

Mr. Gaunt: In terms of phosphorus reduction, you feel nothing can be done now to limit that?

Hon. Mr. Parrott: I'd like Steve to make a few comments on that. There are all those options you're well aware of.

Steve, would you like to make some comments on the immediate solutions, or at least the possibilities of reduction in the nutrients?

Mr. Salbach: I think the ministry's present tack is to remove phosphorus through sewage treatment plants. The present policies the ministry perceives in this regard—for Lake Simcoe particularly, as it has been identified as a very special case—is to pursue the one milligram per litre of phosphorus concentration objective that we have for the lower Great Lakes and, in addition to that, require that any new sewage treatment plant expansions that are being contemplated have to remove phosphorus down to 0.3 milligrams per litre.

Aside from that particular aspect there are obviously other areas that perhaps can be attacked, one of which might be the urban drainage question and whether we can remove that. Technology here is, unfortunately, perhaps not limiting, but very expensive. You might be able to remove 50 per cent of the phosphorus from urban drainage, but that's with very expensive treatment technology. To pursue that is a question that I think we talked about last time. It's a classic case of what does one want to achieve for Lake Simcoe. Do we stay with the existing quality or should we go for an improved quality option?

Mr. Gaunt: Is it technically possible to get the phosphorus content of private sewage systems below the 0.3 milligrams per litre?

Mr. Salbach: When you say private, are you referring to septic tanks?

Mr. Gaunt: Yes.

Mr. Salbach: First of all, phosphorus contributions from septic tanks to Lake Simcoe are basically insignificant.

Mr. Gaunt: You mentioned the 0.3 figure.

Mr. Salbach: This is for sewage treatment plants. Those are sewage systems that service Orillia and Barrie.

Mr. Gaunt: Is it possible to get them below 0.3?

Mr. Salbach: The specialists in treatment technology tell me it is almost next to impossible to get it down to 0.3, so I don't really think we can do much more than that. That's already stretching existing technology.

Hon. Mr. Parrott: I think we're playing a numbers game here. I don't mean we're playing a game in that sense, but it becomes a numbers problem of people. You can only do so much with so many gallons of sewage. You can only refine it so far, then it becomes a function of how many people are on the system and how much further you can go.

That was the disappointing thing I saw in the report. It wasn't just a matter of dollars. If you're going to have large numbers of people and a heavy concentration of agricultural activity, that basin has some real problems. We're going to be doing some extensive treatment plants there.

Mr. Gaunt: You're satisfied that it's going to be a matter of months before you have something in place to cope with it?

Hon. Mr. Parrott: Yes. I would think when we have the estimates next year at this time we would be in a position to respond with the policy position that was taken. How do you feel about that, Steve? Do you think I'm too optimistic?

Mr. Salbach: I think it's in your hands, Mr. Minister, and in the government's hands.

Mr. Gaunt: That's what we've been saying.

Hon. Mr. Parrott: I'm not arguing with that. I think I'm not being too optimistic. I turn to Bill for a little guidance. I thought within a year was the kind of time frame in which we would come up with a policy decision.

Mr. Gaunt: Which Bill is responsible?

Hon. Mr. Parrott: I meant that Mr. Newman was there in another capacity in the policy field. I know he was aware of the paper that went forward and I believe he sat in on those meetings. I'm not trying to put you on the spot, Bill.

Mr. W. Newman: No, not at all. I'm trying to be quiet. Having my riding of Durham-York involved in this area, I'm very familiar with the initial meetings they had with the concerned municipalities up there some time ago. I know the government is very much concerned about the report and

wants to move on it. The present Ministry of the Environment is very much concerned about it and very aware of it.

Mr. Gaunt: You want to clean it up too.

Mr. W. Newman: Of course. I've been working on it ever since I was the minister. I think we're making great progress and I think the minister has put a great deal of effort into this. To put a specific time frame on it is very difficult. You might keep in mind that the Ministry of Agriculture and Food is doing a great deal of research in the marsh area regarding the recovery of fertilizers recirculating in the water, et cetera. I think the minister is very much concerned and is moving along on this very quickly.

Hon. Mr. Parrott: I hope I'm right on that; a year's time, that's my feeling. There are other people involved, but I think that's reasonable.

Mr. Gaunt: We might be a little cross if we're back next year and nothing has happened.

Hon. Mr. Parrott: Yes, I understand the problem.

Mr. Gaunt: Let me leave that. I want to go, in the time remaining, to the revised Canada-US Great Lakes—

Hon. Mr. Parrott: There was good news in that last comment of yours, though. Should I take that as a signal?

Mr. Gaunt: Yes, there's an implication there that I'm not sure will be fulfilled. But that aside, we'll go on.

I want to talk about the revised Canada-US Great Lakes water quality agreement. I talked about it in my opening comments and I wanted to pursue it, because I don't think the minister dealt with it in responding to the comments. I think this is the appropriate place to talk about it for a moment.

[8:45]

I wanted to get some sort of handle on what the ministry is in a position to do. The new agreement takes into consideration the new toxic substances problem. As I understand it as a party to that agreement we have agreed to identify and compile the products and the pollutants being emitted in this province. That's going to be required under what they call annex 12, as I understand it.

I would like to know just how we sit on that matter. Do we have the technical people? Do we have the laboratory facilities to do this? Do we have the analytical capability to fulfill that agreement we've signed and which hopefully we'll have to abide by?

Hon. Mr. Parrott: Gerry, would you like to offer some comments on that? We have two or three people here who are all interested in the subject. Gerry Ronan.

Mr. Ronan: Concerning the lab facilities, we do have an excellent lab. We have lots of good equipment and capable people to measure the particular toxic contaminants which are being enumerated daily as being present in the Great Lakes system. Some of the contaminants in the last year, such as dioxin, have required that we modify some of our labs to develop occupational safety health requirements for the staff. Consequently we are doing some development work and we are waiting for some internal renovations to our lab before we bring the methodology on line.

But as a general statement, we do have the capability. Our staff are monitoring currently known contaminants. In many instances some of the substances cited and the concentrations mentioned require that methodology development be addressed to either get down to the very low levels being mentioned or to develop separation techniques to differentiate between substances which perhaps have very tiny differences in molecular weight, et cetera, that need a very special separatory pretreatment during the analytical stream.

As a generalization we could say that we do have facilities, equipment and resources. It's just that there is a constant stream of substances being enumerated. It's a question of priorities; which is considered the most urgent.

Ms. Bryden: May I ask a supplementary? In the water management book your ministry issued in November 1978, you state on pages 20 and 21, "To date, due to resource and data limitations some of the above important tasks"—that's relating to hazardous substances, identifying them and monitoring them, such as PCBs, DDT and mercury. No, I am sorry—"some of the above important tasks have been carried out to only a limited extent for a few chemicals, such as PCB, DDT and mercury. Adequate knowledge concerning the degree of safety or hazard of many chemicals is not available and may take years or even decades to develop. Further control technology for many substances may not be practicable under many circumstances.

"In the light of these limitations the ministry has adopted a policy which emphasizes that preventive measures be taken in dealing with the releases of both known and potentially hazardous substances and to imple-

ment this preventive policy the ministry must rely largely upon existing knowledge about many substances." End of quote.

It seems to me, Mr. Minister, that this is a rather complacent attitude to be taking. We really have to step up our analysis and research in order to identify these hazardous substances and to establish criteria and standards and tolerance limits for them.

As I pointed out in my leadoff remarks, there are only five substances for which there are zero-tolerance limits and the rest are undefined tolerance limits. I don't see how we can fulfill our part of the international treaty until we have much better capability for determining tolerance limits.

Hon. Mr. Parrott: I hope you're not suggesting that we have to be the repository of all knowledge in all new research and all new investigations in the myriad of chemicals and elements that could and should be explored. I think we should be doing our share. I guess the case in point is in dioxin. It's costing quite a dollar to get the facilities for dioxin testing. As you know, we sent them out to Nebraska and it was a long way from satisfactory. I think that for that very important chemical we'll have facilities equal to, and better than, almost anyone else in North America.

It doesn't make sense that every jurisdiction would need a sophisticated lab for the testing of dioxin. Surely in this area we start to come to the realization that we must share and pool our resources. Surely the province of Quebec will take on some of the responsibilities, or the state of New York, or Ohio. It matters not.

The complexity of our chemicals, the reaction to our chemicals and the speed with which research is bringing them onstream is just so great we can no longer say we will be the sole authority, that we'll take on the full responsibility to measure and diagnose and analyse all of the substances in society. It's too monumental a task and so we're going to have to be co-operative.

Let Ontario take the lead in dioxin—not brag about it, but expect to trade off for expertise in another hazardous substance. That's the only way any of us will stay abreast of the times. If we all try to do everything, the task is too large and none of us will succeed.

Ms. Bryden: I would agree that we have to share the knowledge, but I think we have to move ahead as the number of dangerous substances multiplies—

Mr. Kerrio: Can anybody jump in here whenever they want, or what?

Ms. Bryden: —and do our share with dioxin. Dioxin is only one, but it's a very dangerous one. But I think we should be stepping up our efforts in this field.

Hon. Mr. Parrott: Let me say that when I was asked what I'd like to see on the agenda at the conference of ministers that was our second priority. And of course, it was discussed.

We want this co-operation. We've been proposing it, it's so important to us. I hope you accept the fact we must be co-operative in this regard. Don't ask us to do it all alone.

Mr. Eaton: What kind of sharing of facilities is now taking place?

Hon. Mr. Parrott: I'd like Steve or Gerry to report to Mr. Eaton. Just tell him how extensive our co-operation is with other provinces and jurisdictions.

Mr. Salbach: One of the points that should be made is that the ministry has established a group of people, a committee, which does precisely the job of looking at the most up-to-date information available, not only within Ontario but also within Canada and the United States—indeed, in Europe—to keep track of what sort of numbers are being generated, whether we can transfer some of the substances you see in this blue book in table three, which are those substances you referred to, over into table one, which are water quality objectives for the province.

Hon. Mr. Parrott: Mr. Eaton's question was, what kind of exchange program? Am I reading you correctly?

Mr. Eaton: Yes. What goes on now is testing in certain labs? Are they also carrying out in the US certain tests that aren't being carried out here?

Mr. Ronan: I think dioxin might be a good example to use. We've met with the Nebraska University people, the New York state lab people. We've gone to the private sector, we've met with the Dow lab people who were the first to do a major study on dioxins in the environment and have one of the most advanced facilities. They are involved in producing for the marketplace some compounds which have been contaminated with dioxin. So we have exchanged samples of fish with these people in order to validate the kind of methodology used. We've sent people to see the systems they use so we can bring on line some of the instrumentation, if it's deemed to be the best available.

We do exchange programs and keep in contact with other labs and other jurisdictions. Also, we've been in contact with National Health and Welfare and the De-

partment of Agriculture and we are aware of what they're trying to do. In this particular instance all of the labs are debating whether to lay out half a million dollars to buy the specific equipment necessary to do the testing or whether some other group should be the lead agency. In the particular case we're arranging to exchange samples and trying to get a better method for validation. Those are the kinds of things we do.

Mr. Eaton: Are there any situations now where you test for something particular and take samples here which are then taken some place else because we don't have the facilities to test them or where somebody else has taken samples and brought them here because they don't have the facilities?

Mr. Ronan: We've let out grants using lottery funding to develop methodologies with some of the consulting firms in the case of chlorinated hydrocarbons in drinking water. We do have funding arrangements whereby we try to feed out funds to the private sector to any group which can do development work in consort with some of our methodology objectives so that we can try to pool all of the available knowledge outside and inside. We also work with Ontario Research Foundation on methodology development. Dioxin is a case in point where we went to the University of Nebraska.

Mr. Eaton: There's no case then where you're actually doing all the testing for chemical A in water while some other lab is doing all the testing for chemical B?

Mr. Ronan: Not really, no. During the interim development stage of looking at methodology, we may ask a group to do some of the preliminary methodology development. We did this with asbestos when there was no methodology in the province. We funded a group to do it, then we co-opted that methodology into our range of testing.

Hon. Mr. Parrott: I want to follow that up. We don't parcel out anything to ORF to test?

Mr. Ronan: We do it only when new technology is involved. If it's routine monitoring, we have a lot of automated systems which permit us to do it at a much lower cost than at any of the outside labs. But if it's any methodology development or new technology, the various groups both in the air and water sectors will go outside and try to co-opt some of these groups to do their development work.

Hon. Mr. Parrott: I think what we're trying to get at is this comment that we don't have enough testing for the myriad of products that are out there. This came of the comment

that Ms. Bryden read. Then I tried to develop the thesis that there is a definite limit to what we can do and then Mr. Eaton was asking, "Are we not exchanging any of that?" I'm in the learning process as well.

Mr. Eaton: In other words, if we want to start testing for something new, we're duplicating facilities and we're not making use of facilities already in existence. In turn, if we're going into something for dioxin, we're not saying, "We've developed the best technology, we'll do the testing here for you if you will use your best technology on something else for us." That isn't happening?

Mr. Ronan: In the case of dioxin it is happening. We are meeting with all the active groups within Ontario and trying to see how we can share the resources. There are actually ad hoc committees established just to do that thing.

With reference to some of the questions concerning the criteria in the blue book, the reference to the dearth of information was to the health significance of trace concentrations of many of these substances. Consequently, there is a gap in knowledge about the accumulation over a long term of very small concentrations of these substances; so there is great difficulty in establishing standards because of lack of knowledge.

That's what Mr. Steve Salbach was referring to. We cannot categorize it as a criterion because we just know there's a trace present, but we don't know the human health significance. That was the data gap that was being referred to essentially in that quotation.

[9:00]

Mr. Eaton: It seems to me that there's a lot more room for you to explore the provision of an exchange service. Somebody who's capable of doing the test probably could keep the testing equipment busy in one particular place, testing for a number of areas, rather than duplicate it and use it half the time in one place and half the time in the other.

Hon. Mr. Parrott: Agreed, and that—

Mr. Eaton: It could be explored much more by the sound of this.

Hon. Mr. Parrott: Yes, that is what we are attempting to do. At the meeting of the ministers we will explore that to a greater degree. Frankly, I thought we were doing more than we had. I knew we needed to do more but I thought we were doing more already.

Ms. Bryden: This comes under the next vote, but the vote for laboratory and technical support is almost flat this year compared to

last so I wonder whether that will meet the growing need.

Hon. Mr. Parrott: That happens in few other areas of Canada.

Mr. Eaton: Everything has to increase to be successful.

Hon. Mr. Parrott: I think it is far better for us to agree to do certain things here and have a co-operative approach on some of those things because everything can't grow. You know, that is the argument I awakened to this morning that it was a—

Mr. Gaunt: Do you dream about these things at night?

Hon. Mr. Parrott: No, I have an automatic radio and fortunately the first thing I heard this morning was that the Great Lakes had started to come back much more quickly than the scientists had predicted 20 years ago because—

Mr. Kerrio: Give them half a chance and they will come back.

Hon. Mr. Parrott: That's what happened, you see.

Mr. Gaunt: There is some evidence the other side is doing more than we are.

Hon. Mr. Parrott: No, this wasn't wishful thinking. This was someone, not necessarily our staff, saying the assessment of the Great Lakes is they are improving more quickly because of the sedimentary rate they hadn't calculated into their predictions.

Mr. Gaunt: I am not through, Mr. Chairman. I just wanted to finish off with Mr. Ronan with respect to the annex 12 item.

We have to have that compiled and completed by January 1982. That is the identifying of raw materials, processes, byproducts, emissions and so on. As I understand it we have to have that completed under the new agreement by January 1982.

Are you confident we can do that, given the resources at the disposal of the ministry currently?

Mr. Ronan: Mr. Chairman, Mr. Gordon Van Fleet is more familiar with answering that question than I am.

Mr. Chairman: Gord Van Fleet is from the pollution control branch.

Mr. Van Fleet: The Canada-US agreement is mirrored by a Canada-Ontario agreement which ensures that the province can provide the delivery of the programs the federal government has entered into with the United States.

The requirement for that inventory of toxic substances by January 1982 the hazardous substances referred to, is being addressed by

a subcommittee under that Canada-Ontario agreement. The subcommittee comprises federal and provincial people and we are at the first stage of exploring what kind of work is going on at the moment and what kind of information is currently available.

It hasn't progressed yet to the point where we have a listing. As you are probably aware, for every jurisdiction there is probably a different listing and I think the range of numbers is from 28 to 2,800 or so. We have a lot of work to do in that committee in order to come up with the procedures we are going to follow in arriving at something that is useful by January 1982.

Mr. Gaunt: You haven't got the procedures sorted out yet.

Mr. Van Fleet: Those are the first steps we are into right now.

Mr. Gaunt: I see. How long will that take?

Mr. Van Fleet: We have to have a preliminary report back to the review board by December 1 under the Canada-Ontario agreement. That will really be an overview position. Following that I suspect it will perhaps be another six months or so before we will have a handle on the first step, which is what has been going on elsewhere.

For example, the federal government has been looking at it industry by industry; that is by categories of industry. There are known substances related to the production of those industries and they are taking a first cut at identifying those substances and the quantities that might be present. That would be the first cut through it. There are a number of federal agencies particularly, all of which are involved in pieces of this.

Mr. Gaunt: Another six months would take you well into 1980, so you have less than two years to fulfill the terms of the agreement.

Mr. Van Fleet: That's correct.

Hon. Mr. Parrott: One last comment: I think their problem is not so much detecting as it is to understand what those substances mean to human health. That can be pretty difficult sometimes. We get levels that may be very significant but we don't know. That will probably come from research unrelated to a ministry or jurisdiction called environment. It will likely come from a health sciences investigation. We will be able to detect. They will start to tell us, so we can fill in the vacuum of knowledge that's pretty large right now, of the significance of a substance.

Mr. Gaunt: I think in terms of the Great Lakes cleanup we certainly have made some progress, but I think we have a long way to go. I read such things in the 1978 water

quality board annual report, that says, "At this time there is no effective basin-wide operating plan to cope with the generation, transportation and disposal of hazardous waste in the Great Lakes basin. Wastes continue to be generated and disposed of by uncontrolled and sometimes disastrous methods." I presume that applies, in the International Joint Commission's mind, to Ontario as well as other jurisdictions in the Great Lakes basin. Otherwise, why wouldn't the report describe Ontario's program or at least make an exception to that comment?

In another place it says the Love Canal and Niagara Falls, New York, are "typical of possibly hundreds of similar disposal areas throughout the basin." In another place it says, "There is a lack of communication both within and between various programs. This has in effect, resulted in fragmentation and duplication of effort." Then they talked about pulp and paper: "It is also evident from the information available that control of pollution from pulp and paper industries is now more effective in the United States than in Canada."

I took a look at the industrial sources compliance sheet from the report. I mentioned this with respect to one lake in my leadup, but let me talk about Lake Superior.

In Ontario, six companies are in compliance and four not in compliance, out of a total of 10, for 60 per cent in compliance. The United States has 14 in compliance and three not in compliance, for an 82 per cent compliance rate. Lake Huron—one that is dear to my heart—has three in compliance and eight not in compliance, for a 27 per cent compliance record.

In the United States, for Lake Huron, there are 19 in compliance and three not, for 86 per cent compliance. For Lake Erie, there are 19 in compliance in Ontario and six not, for 76 per cent compliance. In the United States, there are 55 in compliance and 38 not in compliance, for a 59 per cent compliance rate. That's the only lake of the Great Lakes basin in which the United States is lower in industrial compliance than we are.

For Lake Ontario there are 18 in compliance in Ontario and 24 not, for a 43 per cent compliance rate. In the United States for Lake Ontario there are 92 companies in compliance and 19 not, for an 83 per cent compliance rate.

I take a look at those figures and they are somewhat worrisome. Granted Ontario is much better. Give them credit in terms of sewage treatment. Ontario excels at sewage

treatment. The United States obviously has a better record of controlling industrial polluters according to the figures I just read.

Mr. Eaton: Are the standards the same?

Mr. Gaunt: Pardon me?

Mr. Eaton: Are the standards to which they are complying the same?

Mr. Gaunt: The standards are the standards set out by the International Joint Commission.

Mr. Kerrio: We get our pollutants over there right?

Mr. Gaunt: Yes, get rid of them that way. We have a long way to go in terms of cleaning up on industrial polluters within the Great Lakes Basin. As I said before, we are great with the sewage treatment but I think we have a lot of work to do in terms of cleaning up our industrial polluters.

Hon. Mr. Parrott: I think it's fair to say we have certainly been concentrating on municipal polluters and that sector is in excellent shape. Some time ago we turned our attention to the industrial sector and I think now we are starting to see the fruits of this. I am persuaded the result will turn around in the not-too-distant future because our orders are now really starting to take effect. We have a lot of control orders on those companies and it will bear fruit in the very near future. Either the deputy or Mr. Bidell would like to explore that a little further.

Mr. Bidell: Mr. Gaunt, you have alluded to the industries at some of these lakes. I don't think we can do it in this vote, but the only way you can get down to the nub of it is to consider each one of these industries individually. You have to consider just what the story is in terms of what the order says, what it is required to do, what the progress is and so on.

Mr. Gaunt: Whether we do it in this vote or in another vote—

Mr. Bidell: Don't forget the data that is contained in that booklet you were reading from—I think it was printed in July 1979. It was based on data that was supplied in 1978. So in terms of the up-to-the-date situation, one would have to virtually go into each individual company to see what is going on. We have that information here, if you care to go into it.

Mr. Gaunt: Rather than take the time of the committee now or at a later date, you have the names of the companies listed and I have them. Perhaps we can get a list of where we stand with each one of those companies.

Mr. Scott: I think it would help us later if we could go into some greater detail because the number crunching in the document is a bit difficult to deal with on the face of it. Because of the methods, you are sometimes comparing small-point problems with extremely large-point problems, and I think that is important to bear in mind. Without indicating any degree of complacency in the municipalities, you may have a town of 1,500 on the Ontario side set off against Detroit and they both count as one. So there are some problems that way.

Also in relation to the industries, I think it is worthwhile noting one classic case, in the US, of a pulp and paper company. As far as the record is concerned, it is treating its sewage perfectly, because it is dumping it into a municipal sewage system. That sewage system is overpowered and consequently the municipalities hope the industry is clean. There are a number of examples of that in some of the major cities where a great many industrial effluents are going into sewage systems that are not designed to deal with them.

We have to be cautious about working on straight percentages on the numbers, because there are some very interesting sidelines involved in the international business of assessing who is the most guilty party or who is doing the best job of cleaning up what. I hasten to add—without any sense of complacency about our own challenges—

Mr. Gaunt: You are suggesting that if we dumped this stuff into the sewage system we would have a better picture in terms of cleanup?

Mr. Scott: Unfortunately that would be true. But if a number of our industries put it over, it could completely destroy the effectiveness of a sewage system. If a major steel producer, for example, were running it through one of our systems, the system could be completely destroyed but the producer would be clean and the system would get a bad mark.

In some of the larger cities, that can become very significant. In some of the largest US cities on the lakes where they may have a lot of industries overworking their sewage system, that cleans up the industry and moves it into one point. But it tends to obscure the problem. I am not trying to suggest there is a great duplicity on the other side of the border. I just want to point out that with every set of statistics there are ways by which they sometimes hide some of the real problems.

Mr. Gaunt: Yes, sure.

[9:15]

Mr. Eaton: Can you give us an updated figure on the things that Murray gave us—on the percentage on each lake on this side?

Mr. Scott: I think about all we can do, other than the general figures, is to go into each one of our own cases point by point.

Mr. Eaton: It is not necessary now but—

Mr. Gaunt: No, not now.

Mr. Scott: Oh, sure, yes.

Mr. Eaton: Murray says there are 14 that are applying and five that are not. That is a year ago. Can you give us the same figures—some time later in the estimates perhaps? Now is it 16 out of 19, or has it dropped back?

Mr. Scott: We can do better than the figures. We can identify the point sources and so on of both industries, municipalities and so on.

Mr. Gaunt: I'd like to do that, Mr. Chairman.

Mr. Scott: Sure. That is no problem.

Ms. Bryden: Mr. Chairman, we have now spent over an hour on water, in addition to the time we spent last sitting. I wonder if we could by agreement move on to the next three sub votes?

Mr. Chairman: Mr. McKessock and another gentleman want to ask questions on this, and I feel they have every right to ask—

Mr. Kerrio: I can go to the next vote with my questions.

Mr. Chairman: What about you, Mr. McKessock?

Mr. McKessock: It would come in under the water resources.

Mr. Chairman: Go ahead.

Mr. McKessock: I'd like to start by asking a question. I assume it is the Ministry of the Environment that is responsible in the rural areas if farm runoff pollutes the water system in a neighbouring farm. You are responsible for that? This usually isn't a big problem because most farmers, when they expand their operation, take the necessary steps to see there isn't any runoff that will pollute any neighbour's water. But recently there are people moving in and buying these farms and they are living in Toronto or some place else. They lease these farms out and they aren't that interested in taking the necessary steps to keep them in a condition that will prevent them from polluting a neighbour's water system.

There is one specific case I am thinking about here where the family has been living there for several generations and a change

in the farming practices on the next farm has polluted their wells. I have contacted both the Ministry of Agriculture and Food and the Ministry of the Environment on it. I have a letter back from the agricultural engineer, who says he visited the farm, with Ministry of the Environment personnel, on September 15. They sent recommendations for steps to follow to correct this condition.

At the same time I wrote to John Manuel at your office in London on September 25 asking if they would let me know what recommendations had been made and what procedures are being taken to restore the water to normal and if there had been completion dates set for it. To this date I haven't had any response, and that was about a month ago.

Hon. Mr. Parrott: Technically, this should have been the next vote but the question has been posed. I wonder if Mr. McTavish, our regional director, will answer that question.

Mr. McTavish: I am Doug McTavish. I am not familiar with that particular one, Mr. McKessock, but we do have to establish with some certainty, I guess, what is the cause of the contamination of the well and where that contamination would come from. Normally it would involve some of our hydrogeologists' work. Hopefully we could have had a response back to you within the month. But it can take some time in doing an assessment of the problem. Have you the name of the particular incident that you are referring to?

Mr. McKessock: Yes, it is the Vince Miller property in Sydenham township that has been affected, and of course your ministry personnel visited the farm, with the Ministry of Agriculture and Food, back in August.

Mr. McTavish: All right. Once we establish that it has been polluted and we establish who the polluter is, we would attempt to have the polluter agree to make remedy.

Hon. Mr. Parrott: I think we could have that answer tomorrow morning, or at least more information. It really should be tomorrow morning, if you are going to be able to come back, under the third section—municipal and private abatement. We could give you the details then. If you're not here, we'll give them to you private; if you are, we'll give them to you on the record.

Mr. McKessock: Okay. When you do agree what the problem is and how it should be fixed, do you set time limits on when it should be done? Do you follow up on it to see that it is completed?

Mr. McTavish: Perhaps you need a lawyer to answer this, but our legislation at this time wouldn't give us the authority to order the person who is causing the problem to pay for the remedy, necessarily. We can provide all the information to the person who has been affected and support him in a court case if it is necessary to go to court. Normally it isn't necessary to go that far. Once we're able to prove it is pollution from person A, with that information supporting the person who has been affected we can work out a reasonable settlement. But in an extreme situation it would have to go to court.

Mr. McKessock: So you are saying you can point out the problem but you can't come forward with a guaranteed solution to it?

Mr. McTavish: We can't guarantee that the polluter will remedy the situation on a cost arrangement.

Mr. McKessock: My farmer friend doesn't like that response very well. He said they all should be fired if they can't see that it is completed. He doesn't want to take them to court.

Mr. McTavish: Normally it isn't necessary to go to court. Normally they can be settled once you have the proof.

Hon. Mr. Parrott: Surely that's a classic case where we have dispensed our full responsibility by giving the information and being of great assistance in trying to settle it. But eventually some of these disputes have to be resolved by the courts. I'm sure I don't like courts any better than you, but you wouldn't expect a government to be involved in the normal tort situation—is that the right legal term?—in the courts. That's what they're all about.

Mr. McKessock: Of course this is an absentee landowner. This has happened recently; these things didn't used to happen, but they are happening right now. You say you have been of great assistance. The farmer who has his well polluted doesn't agree you have given him great assistance.

Hon. Mr. Parrott: We haven't put a new well in for him, that's for sure. But the statement of the cost is the best any person could put forward; it would be there and would be available for the court. We have done all the investigation, and that in itself is quite a chore in many cases. Surely the proving of the case, once the investigation has taken place, is the responsibility of one citizen as opposed to another.

Plus, as Mr. McTavish has said, many times once the facts are known they don't go to court. If you know you're up against that

kind of evidence, your case is pretty weak to defend against.

Mr. McKessock: Supposing it went to court, how could it still be pressed so that he would have to make the adjustment and it wouldn't happen again? Is there any way this could be done in the courts, or would he still be left with the same situation?

Mr. McTavish: You probably would have to ask a lawyer. Our experience to date has been that—I can't think of any that we've had to go to court on. By "any," I mean out of 10 or 15 situations, similar to what you have expressed, over a five-year period.

Mr. McKessock: But the fact he goes to court isn't going to correct the situation.

Mr. McTavish: It may or may not.

Hon. Mr. Parrott: Let's assume he thought it was a lot easier, rather than making any changes, to pay off the guy whatever the court awarded and to keep on doing the same thing. We now would have a judgement against that person; we are sure our evidence is factual; and we would likely put a control order on him. We certainly could.

Mr. McKessock: You could?

Hon. Mr. Parrott: We could.

Mr. McKessock: That is the point I was wondering about.

Hon. Mr. Parrott: I'm sure we would, but in the history of cases here—and it's a pretty large area—it hasn't been necessary. However, if you're looking for whether it's possible or not, yes, it is.

Mr. McKessock: Thank you.

Item 3 agreed to.

On item 4, pollution control planning:

Ms. Bryden: Mr. Chairman, could I suggest that with the next four items, since we only have about an hour, members be allowed to deal with any part of those four items and we'll see at the end of the night whether we need to take additional time tomorrow?

Mr. Chairman: Agreed.

Mr. Kerrio: Mr. Chairman, the question I raise is one that I raised with the minister in the Legislature. It has to do with a very serious problem in the Niagara River.

Mr. Minister, I have pleaded and cajoled and done everything I know to get you on my side of a very important issue, and I'm going to give it one more try. Some of the matters I brought before you in the short time I had in the question period were maybe misunderstood or in some way not treated the way I thought they should have been; so I thought this was the forum to handle them.

I first got involved in my area because it happens to be near one of the biggest chemical producing areas in North America, Niagara Falls, New York. It posed a very serious threat as it related to the movement of those chemicals. That was the first interest I had in railing them through from Niagara Falls, New York, to Windsor, Ontario; Penn Central.

There were some very disastrous spills in the States in very remote areas. I was gravely concerned that those rails go through some built-up centres because, when that rail was initially built, it also carried passengers to view the falls and through built-up areas.

While that was a concern I had, about a spill in one of those very dangerous areas, something much more serious poses a threat to us now. The reason I brought that other subject up is I don't like to react to a situation; I like to take advantage before the fact. I talked about rerailing dangerous chemicals around built-up areas in order to make certain we didn't have a disaster.

Now we are confronted with a situation where a disposal company is making application to dump two million gallons of effluent into the lower Niagara River. I don't know if I made my point very clear, but the fact is that, left to their own resources, there are some 200 chemical dump sites on the US side alone—Love Canal, Bloody Run Creek and many other areas—that pose a dangerous threat to our environment.

This company that is making the application is called Chem-Trol. Here is my concern, and I should put this on the record. They are making application to dump an additional two million gallons of effluent into the lower Niagara River. There are two or three problems that present themselves if this permit is granted.

The reason I relate this problem is I would like you to get involved before they grant the permit. I don't want to try to get some sophisticated monitoring equipment to find out what goes into the environment; I want to do something before it is put into the environment. I want to be certain that we do some kind of monitoring before it is dumped in.

Hon. Mr. Parrott: Are you suggesting that we go to the US to monitor?

Mr. Kerrio: No, I'm suggesting that because they're willing to accept interested parties presenting themselves at those hearings over there—in fact, they encourage people to go—your ministry should make a stand and go over there and tell them that you have some concern that they're going to dump into the Niagara River two million gallons

additional effluent per day not monitored by their environment people.

I have been given this information by a Mr. Graybar from the Department of Environmental Conservation on the US side. If this permit is granted, the chemical company that is dumping will self-monitor its so-called treated effluent.

There was a misunderstanding between you and me. When I said, "Not another drop of effluent into the river," I qualified it, I said, "Not another drop unless it is properly controlled and monitored so we know what they are dumping in the river."

[9:30]

The company they are talking about giving this permit to, SCA, was originally called Chem-Trol. They are in the state of New York.

In 1972, while they were called Chem-Trol, following a series of environmental violations in Blasdel, New York, Chem-Trol relocated in the town of Porter, which is on the Niagara River between Queenston and Niagara-on-the-Lake. They purchased 231 acres and were going to handle industrial wastes, including PCBs, within a 300-mile radius.

In September 1973, they left salt stored in the town of Lewiston, causing all kinds of damage; no town dumping permit had been issued. Everyone was wondering what they were going to do with this company if that was the way they were going to start their involvement in that part of the country.

In the spring of 1974 they had a phenol spill resulting in fish kill in the Four Mile Creek. In 1974, the town of Lewiston discovered unauthorized use by Chem-Trol of a 30-inch outfall line to the river. At town expense the line was cut off and surrounding sewer lines were plugged. In December 1974, the Department of Environmental Conservation issued permits to allow Chem-Trol to discharge into the Niagara River.

In 1975, the Lewiston town attorney was directed to litigate against this company for the restoration of salts that were let into the environment down there. Also, in 1975, Chem-Trol was acquired by SCA, which is the company we talk about now in the modern concept. In the same year, the town of Porter issued notices of violations to the town zoning laws.

In January 1976, Four Mile Creek was turned blue by a 1,500-gallon chemical spill. In February 1976, there was a major fire in the landfill and reports of minor explosions and massive flames to which the community fire companies responded. Also, in February

1976, there were reports of poor air quality at Youngstown and tests adjacent to Chem-Trol and they had to evacuate the site in September 1976.

Mr. Chairman: Mr. Kerrio, would you mind just holding that over? We all have to go in the House for a vote, then you may continue when we get back.

The committee recessed at 9:32 p.m. for a vote in the House and resumed at 9:50 p.m.

On resumption:

Mr. Chairman: The meeting will come to order.

Mr. Kerrio: When we left, I was outlining the record of Chem-Trol, which subsequently became SCA Waste Treatment Company. In June 1976, Chem-Trol acquired additional acreage and its acreage then became 407 acres. In July 1976, a 200-ton shipment of highly toxic pesticides was received by Chem-Trol despite the Department of Environmental Conservation ban on landfilling this particular toxic material. Regional DEC director Friedman claimed they were not authorized to bury pesticides, but they went on and buried them.

A Porter supervisor called for the closing of Chem-Trol, citing residents' complaints of noxious odours. In September 1976, DEC requested a halt to landfill operation, but the dumping continued in spite of the ban. The Department of Environmental Conservation claimed conditions of site and environmental hazard.

In September 1976, a DEC commissioner toured the site and said a lot needed to be done to improve Chem-Trol. In October 1976, the residents of Porter and Lewiston petitioned their board to end the pollution caused by Chem-Trol. In 1976, a citizens' group called Operation Clean was formed to deal with this very serious problem.

In October 1976, the village of Youngstown called for the closing of Chem-Trol because of blatant disregard for environmental rules and regulations. In October 1976, hoses were disconnected and ponds containing acid were allowed to drain into the river. Health commissioner Clifford said serious handling and storage problems existed at Chem-Trol that might result in environmental damage in the near and distant future.

In December 1976, DEC gave serious consideration to closing Chem-Trol. In January 1977, the state supreme court overrode a court decision in favour of Porter. In January 1977, Chem-Trol claimed it would stop receiving liquid waste because of new DEC regulations. This did not occur. In February

1977, polluted runoff water from the drum storage area was let into the drainage ditches and into the Niagara River. DEC again admonished Chem-Trol.

I'm not going to read through these eight pages of indictments because this is the company that is going to be allowed to monitor its own effluent. I can't understand why the minister isn't really upset about this and making some kind of noise about it.

Instead of reading all of this into the record, the thing I will do to bring this to a conclusion is to cite that on November 13, 1978, this company was fined \$1,000 for an order it didn't pursue. In June 1979, they were fined \$5,000 for improper fencing and containment of pollutants. The most serious charge of all was on March 7, 1979, when they were fined \$15,000 by the Environmental Protection Agency for improper PCB storage.

In this whole indictment, I'm sorry to say, it would appear that the environmental control people in New York state are looking the other way. They simply feel they should do that, because they have produced so many chemicals they feel they should be responsible when it comes to the disposal—not really the disposal, the burying.

This history was prepared by Calvin Schultz, a highway superintendent, and Joan E. Gipp, a councilwoman for the town of Lewiston. They say: "All of the environmental violations listed here were discovered by local officials and residents, not by the regulatory agencies. It can be concluded that it is impossible to control and regulate a toxic dump and that laws [don't seem to be able to] control them. Once established, they fill the site and must expand geographically to stay in operation.

"Chem-Trol has cost local taxpayers"—and we are talking about American taxpayers—"an inestimable amount of money in attorneys' fees, consultants' fees, engineering fees, time spent by local officials and officers and regulatory agencies."

That small town has spent \$18,000 already for counsel to represent it at these hearings.

They go on to say: "Economically, industry will not use the technology they already have or improve that which they do not [have], to render their materials inert. As long as landfills exist, it will be cheaper for industry to use this method of disposal.

Here's the problem we seem to have: We're very proud, to some degree, of our record, but we were hauling PCBs to this site. We were taking PCBs from 350 miles inland, where it would take a good deal of movement to leach into the waterways, and trucking

them across the border and dumping them on the banks of the Niagara River.

I'm extremely unhappy about it because, coming from that area, having been born there and spent much time in construction, and my leisure hours on the river, I feel a heritage that was given us and has brought people from all over the world to view its wonders and grandeur is being used because it has a tremendous flow, something on the average of about 200,000 cubic feet per second. What it's being used for now is to dilute the effluent. This company, if it's given the permit, will have a pipe that will not dump out the end where it could be clearly seen. It's going to go on the bottom of the river for a couple of hundred feet, with dispersal nozzles along the way. If they're looking to dilute it, they can't convince me there aren't dangerous substances in it.

We have engineering people in the area who suggest that putting those nozzles in is no guarantee of dispersal, because of various eddies that exist in the Niagara River, particularly Peggy's Eddy. This area where they're dumping is two miles above the intake to the Niagara-on-the-Lake water supply, which prompted the Minister of Energy to appear at these hearings. He and I were the only two politicians on this side, excluding the town of Niagara-on-the-Lake, who appeared there as parties of interest to resist the granting of that application.

There is grave concern about those effluents that are discharged through that pipe. They do not necessarily have the guarantee they'll break up. They could raft together because of Peggy's Eddy. In fact, they burst a dye bomb at the site where that pipe is going into the river and that dye marker moved upstream in that particular area, which gave some credibility to what the engineer from Niagara-on-the-Lake suggested. There would be no guarantee of dispersal. That could raft up under given conditions and go over in a concentrated form to the intake of Niagara-on-the-Lake.

There is a problem I'm having. I raised the question with you—in fact, the Premier was involved to some degree—last March. When I heard this company is going to be able to monitor its own discharge after the record they have, I could not believe it. You, sir; John Fraser, the new minister in Ottawa; and Flora MacDonald, the Minister of External Affairs, have all been notified of the problem. No one took any real action.

I just received a letter from John Fraser which was similar to the way you answered the question in the Legislature. It would appear you went to the same school, because

nothing much was said: just, "Vince, get lost."

Hon. Mr. Parrott: Maybe you went to the wrong school too. You may not have heard too well.

Mr. Kerrio: There was so much conformity there.

Hon. Mr. Parrott: Hearing is a part of dialogue as well as saying.

Mr. Kerrio: I called, I attempted to get the International Joint Commission involved.

Hon. Mr. Parrott: Aren't they?

Mr. Kerrio: No, they won't.

Hon. Mr. Parrott: They're not interested?

Mr. Kerrio: No, they're not interested. They talk about reporting after the fact.

Hon. Mr. Parrott: I'm amazed at that.

Mr. Kerrio: Yes, I am too.

Hon. Mr. Parrott: You'd think they were interested if you saw some of the correspondence.

Mr. Kerrio: They said they'd monitor it afterwards and tell us what kind of contaminants are there. I'm not happy with that kind of involvement.

As I say, John Fraser, the environment minister federally, wasn't that helpful. We're leading up to a public awareness seminar, to take place all day on November 10 in Niagara Falls. This shouldn't be my responsibility, but we're going to do it. We're getting very knowledgeable people on both sides of the border.

We invited your ministry to participate. We waited a whole month for a response and they finally told us they weren't coming. That was quite a disappointment. However, we're getting professors, toxicologists—

[10:00]

Hon. Mr. Parrott: The original thought was to invite me there, not the ministry, I thought.

Mr. Kerrio: Whoever; I really didn't get involved; I'm a one-guy operation, you've got lots of people. I wasn't going to start sorting out who I should invite. Anybody—you could come, send one of your guys, anything.

Anyway, we're having some people who are well qualified from the University of Buffalo, from Brock and from the lawyers' association as it relates to environmental laws. I think we're going to have a meaningful involvement to make the people in the area aware of what's happening.

Hon. Mr. Parrott: Who's going to be on that panel? You've almost got it lined up, haven't you?

Mr. Kerrio: It's just about lined up. I'll get you a copy of it. I'm very much impressed with the interest that was shown.

Hon. Mr. Parrott: I knew there'd be a good deal of interest. I was wondering who was on the panel for that day.

Mr. Kerrio: I don't have it, I'm sorry. We're updating it as recently as today to finalize it; I'll get you a copy, I could have it tomorrow. We're finding people to fill in for you.

Hon. Mr. Parrott: That's only one, but you had some big stars there already.

Mr. Kerrio: Yes; actually, I think you'll be impressed.

Hon. Mr. Parrott: Who are they again?

Mr. Kerrio: I can't relate them from memory.

Hon. Mr. Parrott: That's amazing.

Mr. Kerrio: Okay, I'll tell you. You're not going to belittle me like that. I'm going to share this thought with you. I saw fit to take on a researcher out of my constituency office funds, which is going to stretch my budget right to its limit. He, in fact, is in charge of organizing the people who are going to attend. He and I arranged the whole thing.

He is attending it. He is a Canadian attending the University of Buffalo. We have an international flavour that is going to bring people who are interested on both sides of the border. To just name people I can't do that, but I'll give them to you tomorrow.

Hon. Mr. Parrott: You wouldn't have anyone like Murray or your leader involved?

Mr. Kerrio: Murray's going to be there.

Mr. Gaunt: I'm not on the panel, I'm just going to be there.

Hon. Mr. Parrott: Oh, I see; just an interested party. It's going to be a non-partisan event.

Mr. Kerrio: No, I didn't invite my leader down. Anyway, I think it's going to be meaningful. I think it's going to put some pressure on.

Maybe it's not you I should be putting pressure on, I don't know. Maybe it is a federal involvement, but I thought you might participate. I thought you might now, because of the new relationship in Ottawa, have some meaningful dialogue with those people down there. I was maybe taking something for granted that doesn't exist.

In any event, to wind this thing up, we're having the seminar. We're having people from the area and New York state who are very much concerned; there is representation from all along the border. People on

both sides of the border who have taken a very high profile and a meaningful interest in what's going on.

To get back to the crux of the whole deal, to have asked you to stand tall on this issue is where you and I are at odds. Bob Welch appeared there and he made a plea. He suggested there should not be any more effluent dumped that was not monitored. I think the general feeling is that's a responsible position and not something that's not a reasonable request.

I leave it with you; I still hope you might help us.

Hon. Mr. Parrott: I have to reply here at some length, I think. It's interesting this should come in the sequence of events in the manner it did. Mr. Gaunt put forward the record on how well the Americans have controlled their industries, and he made a pretty good job of that as a matter of fact. Now I'm hearing there may be a little chink in that great ability of the Americans to have done a super job of controlling industries.

Mr. Kerrio: There's a damn big chink, it's no little chink.

Hon. Mr. Parrott: Please don't hammer me both ways. I don't mind getting it from one side right in the eye, but not both when I didn't deserve either.

Mr. Kerrio: I only have one interest.

Hon. Mr. Parrott: No, but don't you see the point? You make the case the Americans are doing a super job and now you make the case they're doing a super bad job.

Mr. Gaunt: In this instance.

Hon. Mr. Parrott: This instance, according to Mr. Kerrio, is a pretty big one.

Mr. Kerrio: Maybe they're cleaning—

Hon. Mr. Parrott: What if I asked you a simple question: Would you be as sure that I should be there if the hearing was in Toledo? If everything else was the same except the location was Toledo rather than Niagara-on-the-Lake, would you feel the same way?

Mr. Kerrio: I wouldn't, no.

Hon. Mr. Parrott: Why? It's the same body of water.

Mr. Kerrio: You're asking me a question and I'll answer it this way: I think it's my obligation to protect my environment in my jurisdiction. If someone bordering down there was polluting, and such a case was happening, I think it's entirely the responsibility of a member sitting down there in that area to bring it to your attention.

Hon. Mr. Parrott: You've brought it to the attention of the people in the area, and that's fine, I'm all with you on that one; but you're not asking that at this time, you're asking that I should involve myself on the other side of the border, either in the control or in the hearing process, but—

Mr. Kerrio: I'll tell you why—

Hon. Mr. Parrott: —you don't think you would do that if it were in Toledo. That leaves me a little surprised.

Mr. Kerrio: Are you putting me in your shoes?

Hon. Mr. Parrott: No. I'm asking—

Mr. Kerrio: What the hell would I be doing in Toledo?

Hon. Mr. Parrott: You're quite ready to be there in Niagara; and it is the same body of water, you will get your drinking water out of exactly the same body.

Mr. Kerrio: But they've got a member down there.

Hon. Mr. Parrott: You're refusing to come to grips with what is possible in the hearing process.

Mr. Kerrio: Oh no.

Hon. Mr. Parrott: You're telling me not to go to Toledo if the hearing was there.

Mr. Kerrio: No; you asked me if I would go, I have to separate the two.

Hon. Mr. Parrott: I'm asking you if you thought I should be at the hearing in Toledo.

Mr. Mackenzie: What's that got to do with it?

Hon. Mr. Parrott: It has everything to do with it. If I should be at a hearing in the US, in one state that affects the Great Lakes, I should be in them all. You don't single out one because it happens to be a nice, easy, quick political situation. You either have a principle by which you establish that you are a party to all the hearings that affect the Great Lakes system on either side of the border—

Mr. Kerrio: Sure you should. You asked me if I would.

Hon. Mr. Parrott: No. Let me make it very clear that I'm asking you if you think we should be at that hearing if it was in a place other than Niagara Falls.

Mr. Kerrio: Yes, definitely.

Hon. Mr. Parrott: Would you go so far as to say yes if it were within the drainage basin of the Great Lakes?

Mr. Kerrio: No, I think bordering on Ontario, our jurisdiction.

Hon. Mr. Parrott: Toledo happens to be pretty close to our jurisdiction. Cleveland, Erie; all those places along the shore of Lake Erie are. All the places on Lake Ontario—are you asking my ministry to be at all those hearings as a witness?

Mr. Kerrio: Aren't your people at the hearings?

Hon. Mr. Parrott: We're there as observers. Are you asking us to be at all hearings? Let's establish the principle on how and where you expect this ministry to protect the Great Lakes basin.

Mr. Kerrio: Where it touches our border.

Hon. Mr. Parrott: That means all hearings?

Mr. Kerrio: Anywhere on Ontario borders.

Hon. Mr. Parrott: Wowee!

Mr. Kerrio: How are we going to clean up the water if we don't?

Hon. Mr. Parrott: That means that at every hearing in the US you would expect me or officials of my ministry to be there with all the forces of our ministry. You would also expect, on that same principle, that in every hearing that concerned the Great Lakes basin here in Ontario, whatever states were affected would be party to those hearings, be it New York, be it Ohio—there would be eight of them. They could logically and reasonably expect the reciprocal reaction to occur. If we were there, they would expect to be here. Is that what you are proposing?

Mr. Kerrio: Yes. If you were proposing to dump two million gallons of effluent into the Niagara River from the Canadian side and you made it public knowledge and invited anyone who was interested in giving the permit or not giving it, I would be very disappointed if the Americans didn't come over and say: "If you're asking us to come over and make our comments, we should be there."

Hon. Mr. Parrott: We invite all interested parties to those kinds of hearings.

Mr. Kerrio: But so did they invite us.

Hon. Mr. Parrott: Do you know of any case where they have been?

Mr. Kerrio: You're not proposing such a permit.

Hon. Mr. Parrott: Sure we have permits for effluents going into the Great Lakes.

Mr. Kerrio: Do you monitor them?

Hon. Mr. Parrott: Certainly we do.

Mr. Kerrio: They do not.

Hon. Mr. Parrott: That is their jurisdiction.

Mr. Kerrio: It's time it became our interest too.

Hon. Mr. Parrott: You're telling me that in your policy, if you were ever in this seat of government you would involve yourself in all hearings that affected the Great Lakes basin, you'd be there in an official capacity, and you would expect the official capacity to result in hearings here.

Mr. Kerrio: No. I'm suggesting that we invite people from both sides of the border to participate in a public hearing, which is what they've done there. You're trying to weave and fake here, to make me look as though I would spend money that you're not prepared to.

Hon. Mr. Parrott: No, no; I'm asking on the official capacity. It has nothing to do with money, it has to do with whether or not—

Mr. Kerrio: But you're already attending. You're spending the money anyway.

Hon. Mr. Parrott: We're observing; there's a vast difference.

Mr. Kerrio: Sure there is. Why didn't you make yourself heard while you were there? That or bring them home. What the hell is the use of having them sit there listening?

Hon. Mr. Parrott: It's very important.

Mr. Kerrio: What are they doing there?

Hon. Mr. Parrott: It's very important to have them there, for a lot of reasons.

Mr. Kerrio: Why? Give me a reason.

Hon. Mr. Parrott: I can give you two. One, we now know, from having been observers, that all the questions that we think reasonably should be addressed have been put before the hearing officer several times. Let me read to you, if I might, about the issue of the eddy itself. This is not to my ministry, but this is a report that we are aware of to the International Joint Commission—so, you see, you're not even sure they're interested; but they're getting reports on this thing.

What does it say? "The Attorney General's office provided witnesses to discuss the necessity for modelling studies due to the complexity of the eddy. The testimony also included some dispersion studies based on the use of floating materials and dye." All of a sudden, as we start to look into this thing a little more carefully, we realize that indeed the US authorities have asked those kinds of questions that should and must be asked. The US authorities have done that.

Mr. Kerrio: The Attorney General's office; they are not environment people.

Hon. Mr. Parrott: They have a mandate to protect the people of the US, the same as we have a mandate to protect the people of

Ontario. I can't imagine that you are proposing that you believe the government of Ontario should be at every hearing in the US that affects—

Mr. Kerrio: Us.

Hon. Mr. Parrott: —the United States, and Canada's great resource called the Great Lakes.

Mr. Kerrio: Us, where it affects us.

Hon. Mr. Parrott: It all does. Anything that goes into those Great Lakes—

Mr. Kerrio: You sent people there to monitor it; you should be involved and make your feelings known; that you are not willing to accept dumping effluent into that river by a company that's got such a terrible record, and that they're going to monitor their own discharge. That's unconscionable in this day and age.

Hon. Mr. Parrott: You tell me where that principle is established anywhere else.

Mr. Kerrio: I don't understand how they can do it now, in this modern age.

Hon. Mr. Parrott: You tell me where that principle is established.

Mr. Kerrio: Right here.

Hon. Mr. Parrott: Do you expect us to—

Mr. Kerrio: Couldn't you talk to your counterparts over there and say: "Don't you think it's time we monitor all the effluents that are going to be dumped in this international body of water?" Is that unreasonable?

Hon. Mr. Parrott: We are monitoring it. You have not heard, and there's not a shred of evidence to say that they will not be asked to monitor.

Mr. Kerrio: They're going to monitor it themselves.

Hon. Mr. Parrott: That's their proposal.

Mr. Kerrio: If they're given the permit.

Hon. Mr. Parrott: Listen, "if" was the big word there.

Mr. Kerrio: Do you want to wait until they have the permit, or are you objecting?

Hon. Mr. Parrott: No, but I believe that you have no evidence to say that they will be able to monitor.

Mr. Kerrio: Yes, I do.

Hon. Mr. Parrott: No, you don't. You know what the proposal is. You don't know what the conditions are that will be placed if a certificate is issued.

Mr. Kerrio: Yes, I do. Here it is. They say—

Hon. Mr. Parrott: Who says? Let me get it on the record.

Mr. Kerrio: Frank Graybar, Department of Environmental Conservation, New York state. In his response to us, when we made the pointed question, was: "SCA Chemicals will be self-monitoring their treated effluent if they are granted the permit by DEC."

Hon. Mr. Parrott: Right, but it's always "if."

Mr. Kerrio: What I'm suggesting to you is that you should go down there and tell them that under those conditions they shouldn't be granted the permit, that that would be the feeling of this government.

Hon. Mr. Parrott: They've already been told that.

Mr. Kerrio: By whom?

Hon. Mr. Parrott: They've been told it—

Mr. Kerrio: By me. Who else?

Hon. Mr. Parrott: Sure, and they've been told it by Mr. Welch.

Mr. Kerrio: That's not my job. I'll do that when we form the government, but not now.

Hon. Mr. Parrott: They've been told it by Mr. Welch. I can read you a great deal about the number of days of hearings—

Mr. Kerrio: Was he there in the capacity of this government?
[10:15]

Hon. Mr. Parrott: I don't think he has the privilege of ever being there just as somebody who is interested. Mr. Welch was there as a member, as you were.

It doesn't escape attention in any event, however he was there.

Mr. Kerrio: That's a bit of a contradiction. Isn't it strange that he would attend but you suggest to me that your government is not interested?

Hon. Mr. Parrott: No, I am saying there is a significant jurisdictional difference and I think a very legitimate one. I find it almost unbelievable that you would ask us to be at all of those hearings, and that you have in one moment so much faith in that process and then so little.

Mr. Kerrio: This particular issue is the one I wanted you in on, you took me afield. This issue right here is so important—

Hon. Mr. Parrott: I think it's pretty important. Those are the kinds of issues I have to address myself to.

Mr. Kerrio: Maybe if I had suggested to you that it should be a joint effort between you and your counterpart in Ottawa in the international bodies of water, I'd accept it if you couldn't be there but they were. I want somebody looking after my interest.

Hon. Mr. Parrott: With the extensive amount of hearings, I can't believe you think there isn't someone looking after your interest.

Mr. Kerrio: The lawyer from Operation Clean said that if the Canadian or Ontario government made a reasonable resistance to that damn permit it wouldn't be granted. That's why I was putting the pressure on you and the government in Ottawa.

Hon. Mr. Parrott: That person has that much knowledge of the system?

Mr. Kerrio: Their system, yes.

Hon. Mr. Parrott: That's interesting. I would assume that if their ministry came over here and made the same kind of presentation to us, the director of approvals down there would automatically say if they are opposed, then obviously it can't be done. I don't think that's how our hearing officer functions in this province. I think he listens to the evidence that's put forward by the proponent and those who oppose and then makes some kind of a recommendation on how it should be done.

Mr. Kerrio: Let me share one more thought with you that I neglected to tell you about and which scares me about their rules over there, where they need some kind of reinforcement from the people on this side. There would not have been a public hearing had enough parties of interest not registered as parties of interest to have a public hearing. That's how far behind their environmental laws are.

Hon. Mr. Parrott: I think I will take that letter and quote it fairly extensively the next time I need it. It's a pretty strong testimonial about how well our process is working.

Mr. Kerrio: It is a strong testimonial, but our skirts aren't clean because what we do is haul the chemicals over there and then wipe our hands.

Hon. Mr. Parrott: That border is open both ways for different materials.

Mr. Kerrio: PCBs and contaminants.

Hon. Mr. Parrott: It is open both ways.

Mr. Kerrio: But I think more is flowing that way.

Hon. Mr. Parrott: I wouldn't doubt it.

Mr. Kerrio: Oh, yes. We have got our skirts clean because we wiped our hands of it and shipped it there.

Hon. Mr. Parrott: With respect, you have never ever heard me take that approach.

Mr. Kerrio: No, but that is what is happening.

Hon. Mr. Parrott: It doesn't say that we have wiped our hands clean.

Mr. Kerrio: It's an easy way to go.

Hon. Mr. Parrott: God knows we have been looking for a way to treat our liquid wastes here. If you follow the situation in Mississauga right now you will know the total frustration that we have in trying to get even a test burner. We are not exactly saying we're not involved and we're not interested.

Mr. Kerrio: I'd have felt a lot better if tons of PCBs had been left 350 miles inland and not dragged down to the Niagara River and dumped on the banks down there where they are going to leach into the river.

Hon. Mr. Parrott: You would have felt better, but would you have felt better for the people of Ontario?

Mr. Kerrio: No, I guess it is a nice thing to do to ship it to New York state.

Hon. Mr. Parrott: Would you have felt better for the people of our society?

Mr. Kerrio: I will feel a lot better when we make a real commitment to destroy these things where they are.

Hon. Mr. Parrott: That is the most unfair criticism that I have heard when we are making a real commitment. My God, we have been making a commitment in Mississauga about as strong as it is possible to make anywhere. Surely you are aware of how strong a commitment to destroy PCBs it is that we are making. Surely you must be aware of it. Are you not?

Mr. Kerrio: It is not happening.

Hon. Mr. Parrott: Do you mean it is because we are dragging our feet? Is that what you are telling me?

Mr. Kerrio: It was easy to take them across the border.

Hon. Mr. Parrott: We tried to store them. I remember in this very room a member—and not a member of my party—telling me how wrong it was to store our PCBs in Ontario. With respect, you are giving me pretty conflicting evidence.

Mr. Kerrio: Not really.

Hon. Mr. Parrott: You are telling me not to store, not to ship and not to burn. Tell me what we can do.

Mr. Kerrio: No. I am saying don't haul it from 350 miles inland and store it on the bank of the river.

Hon. Mr. Parrott: It so happened, and in this very room, that your friend told me not to store in a community quite separated from the river.

Mr. Kerrio: Yes, because it was going into a builtup area where people are normally living—

Hon. Mr. Parrott: There is obviously no place, then, that is satisfactory to store. It can't be on the bed of a river, it can't be in a well—

Mr. Kerrio: Let's make the people that use them a little more responsible. It's nice and easy to haul them to somebody else's jurisdiction all the time.

Hon. Mr. Parrott: They are being used in every community. There is no easy way of getting rid of PCBs until we can ultimately, we believe, destroy them—

Mr. Kerrio: But a joint commitment—

Hon. Mr. Parrott: —in the method of incineration.

Mr. Kerrio: These people who are treating in ponds; you know what they are doing. You know what they are going to do when they dump that effluent into the river. They are treating it in ponds a few thousand feet back from the river bank; they are then going to drain off the separated material into the river. I have no objection to that. I have no objection to the effluent going in, that is monitored constantly and poses no threat to the integrity of the river.

Let's get right back to the simple case I am putting before you. It's very easy to take me afield and try to lose me out there in the bush, but let's go back to the case at hand. This company who has this terrible record; yet if they are allowed the permit are going to monitor the discharge from that unit.

Hon. Mr. Parrott: Can we deal with the record for just a second?

Mr. Kerrio: That's wrong.

Hon. Mr. Parrott: Do you think that terrible record has been clearly put forward to the hearing on it?

Mr. Kerrio: Yes, it has.

Hon. Mr. Parrott: We are agreed on that. So the hearing officer, if he makes a favourable decision, will do so, notwithstanding the fact that a very clear case has been made about the terrible record of this company. You and I are agreed on that?

Mr. Kerrio: I'm not so sure. Because when I read between the lines here, with evidence that was given before this company was given the permits, and they keep enlarging their operation down there, I think some heavies have to come in.

Hon. Mr. Parrott: You talked, I think, in one of your presentations, about the information that was tabled being presented not by the authorities but by the residents. You did suggest it was put forward in that

manner. You have an eight-page indictment against that company that was put forward. Now I think we established, that at the hearing all of those terrible deeds of that company have been put on the record.

Mr. Kerrio: Yes, they have.

Hon. Mr. Parrott: Would there be any value of doing it the second or third or fourth time? I suggest to you, no; because it has been done.

Mr. Kerrio: Then your people were satisfied to sit there and listen to this evidence being put forward but not participate. Well, that's fine if that's your position. Not much I can do about that?

Hon. Mr. Parrott: I'd like to talk about the monitoring a little bit, too.

Mr. Kerrio: I'm very concerned about it, I really am.

Hon. Mr. Parrott: If they were fortunate enough to get the permit, are you suggesting that you believe that the material will just be automatically put into the pipe, and away it goes into the eddy and down the river? Is that what you are thinking will happen?

Mr. Kerrio: No.

Hon. Mr. Parrott: What will happen then?

Mr. Kerrio: When people are not looking, the levels will go up and there will be things go out into the pipe that normally wouldn't be out there if people were monitoring the discharge.

Hon. Mr. Parrott: You are surely not hoping that we will put an enforcement officer at that company's gate all the time? No, I know you are not asking that.

Mr. Kerrio: I'd like you to have an agreement with your counterpart in New York state, that you are not going to allow any more effluent that is not monitored to be put into the river.

Hon. Mr. Parrott: Well it is being monitored.

Mr. Kerrio: No, this one will not.

Hon. Mr. Parrott: No, I think you are wrong.

Mr. Kerrio: I read it to you 14 times. Let me read it one more time.

Hon. Mr. Parrott: Well I know you have, but you happen to be wrong.

Mr. Kerrio: Frank—

Hon. Mr. Parrott: It will be audited.

Mr. Kerrio: Let me read the whole thing then. "SCA will be self-monitoring their so-called treated effluent if they are granted the permit by DEC. They will be monitoring their own groundwater and surface water. The re-

ports from the self-monitoring will be sent to the Department of Environmental Conservation on a monthly basis. The EPA, which is the federal agency, will check it periodically for PCBs. The DEC will make a check once a year to be sent to Albany for analysis by the state health department. The DEC would like to see a check more than once a year, but they are understaffed."

Hon. Mr. Parrott: All of a sudden, I have to bear the full responsibility of their understaffing.

Mr. Kerrio: No.

Hon. Mr. Parrott: Well it's almost that way.

Mr. Kerrio: You should make an agreement with them, that in order to clean up the Great Lakes, instead of getting all this monitoring after, so we can find out what somebody puts in, let's stop putting it in.

Hon. Mr. Parrott: The International Joint Commission is addressing that.

Mr. Kerrio: No they're not. They're telling me the same thing you are. They'll tell us what they're after, but they won't participate before the fact. Isn't that disturbing?

Hon. Mr. Parrott: I'm quite sure it will be monitored and that it will be audited. It won't be on a day-to-day basis, that's right, but that is a concern that you, and many other people, have put forward to the hearing. If they want to put that condition on, they have the same liberties as we would have in this jurisdiction to put on whatever controls they want as a result of the hearing.

There are thousands of proposals that come in that have the hearing process, not in environmental assessment but they will in the future—

Mr. Kerrio: But I don't have the tools?

Hon. Mr. Parrott: You do.

Mr. Kerrio: If you were there you would have experts with you.

Hon. Mr. Parrott: You've made your case that the company is not to be trusted and that it should be monitored on a continuing basis, you've made that case.

Mr. Kerrio: As well as I could.

Hon. Mr. Parrott: Could anyone have made it any better? I give you full marks. No?

Mr. Kerrio: Yes, I think you could. I'm a believer in the prestige and influence of your position.

Hon. Mr. Parrott: Then you establish a principle, and we won't repeat all that today. You have made the case, I think Mr. Welch

has made the case, I know Operation Clean has made the case; I'll bet you that case has been made a dozen times.

Mr. Kerrio: We're so frightened they're going to get the damned permit, that's why.

Hon. Mr. Parrott: I understand that, but you're asking me to do something that has been done many times, and I think you're asking me to establish a precedent you don't really believe should be established.

Mr. Kerrio: What's your rapport with your counterpart in New York state? Do you have any?

Hon. Mr. Parrott: I would guess the rapport is that we both know that we have a responsibility and it will be published. He likely goes through a very similar situation to what I have been through tonight. I hear about how well they are doing. I'm not trying to push on that too hard.

Mr. Kerrio: They may be in other areas.

Hon. Mr. Parrott: But by comparison—pardon?

Mr. Gaunt: I'm just citing the figures from the water quality report.

Mr. Kerrio: Individual industries could have a clean bill.

Hon. Mr. Parrott: They'll hear how good we are. We don't hear on this side of the border, of course, how good we are. That doesn't seem to be the way the process works.

Mr. Gaunt: Maybe that's why you should go over there, then you'd hear how good you are.

Hon. Mr. Parrott: I would really believe, if I could wishfully think for a minute that you three were in the seat of government, you would not establish the principle that you, as the minister, should be represented at all hearings that affect the Great Lakes basin and that occur in jurisdictions outside your own.

Mr. Kerrio: Should your federal man be?

Hon. Mr. Parrott: I could accept that far more readily.

Mr. Kerrio: I don't really care who goes. I'm only putting the pressure on you because you are here. I don't want to run down to Ottawa and run Joe Clark's business. He has all the problems he can handle down there now.

Hon. Mr. Parrott: That may be true, but I don't think you're really seriously asking me. I know you're trying to put pressure on, that I understand.

Mr. Kerrio: I don't care if you don't go. I'd like you to say you think it's federal jurisdiction.

Hon. Mr. Parrott: I've said that several times.

Mr. Kerrio: Well, give them a call. Call John Fraser.

Hon. Mr. Parrott: But you have already called them and written to them.

Mr. Kerrio: Oh, yes—but listen, I'm a Liberal and I'm a little guy.

Hon. Mr. Parrott: He hears you very well. I wouldn't be a bit surprised if maybe your counterparts in Ottawa have not done the same thing with Mr. Fraser. I don't know. I would be surprised if they haven't. It's a pretty good question in the House.

Mr. Kerrio: I'll be disappointed if you, and the minister in New York state, don't have an agreement that we will not have any more effluent dumped that isn't monitored by either one of us. Would you not agree to do that here with any permit that might be granted? Is it unreasonable to ask him to do the same?

Hon. Mr. Parrott: We certainly monitor our effluent.

Mr. Kerrio: Right. That's all I'm asking you.

Hon. Mr. Parrott: But it's not on a day-to-day basis.

Mr. Kerrio: They're not letting the fox in the chicken coop, as they are in this one.

Hon. Mr. Parrott: There would be those here who think we have, that's the difficult part.

Mr. Kerrio: It's like saying the speed limit is 50 miles an hour, so pull all the police off and all you people drive at 50 miles an hour. You'd just have to have 50 wreckers picking up all the pieces.

Hon. Mr. Parrott: I'm glad you used that illustration, because you wouldn't ask me to police any speeding in the US, none.

Mr. Kerrio: But I would like to have an agreement between you two ministers, on the Niagara River, that you would deal with it in the same way on each side. I don't expect you to go over there, certainly not.

[10:30]

Hon. Mr. Parrott: Mr. Chairman, I've said that several times, I'm pleased that Mr. Kerrio makes the point. We have had our observers there. The answer in the House clearly indicated that not only did we have our observers there, but also when the delegation was down here Mr. Kerrio knows that we offered to give to them our expertise, free of charge, to assess the hearing. If there was technical information we would give them that kind of assistance.

Mr. Kerrio: It's only one little step more for you to get involved.

Hon. Mr. Parrott: It's a huge step and you know it. We have been there, we will continue to be there; we will continue to assess the problem, we will continue to work with the people. We have done all of that and you know it; but to be there in a formal position, I think you're wrong to ask.

Mr. Kerrio: What's your counterpart's name in New York state?

Hon. Mr. Parrott: I don't know my counterpart's name.

Mr. Kerrio: Now we're even. You gave me that routine just a few minutes ago.

Hon. Mr. Parrott: The governor is quite a different situation there; there is no minister of the environment as such.

Mr. Kerrio: Oh yes there is; surely.

Hon. Mr. Parrott: Not a minister of the environment, if you want to be serious about it, but they have an elected—

Mr. Kerrio: Do you know what they call the permit that company is operating with now?

Hon. Mr. Parrott: No, I don't.

Mr. Kerrio: A SPEDES permit. The people down there said, "Isn't that appropriate?" They can get a permit just like that, to dump into the river—SPEDES.

Hon. Mr. Parrott: They haven't been very speedy in this; it's been going since—when did it start, in June?

Mr. Kerrio: A SPEDES permit is given if enough people don't resist it, or there isn't

enough of a public outcry to have a public hearing. It's automatic over there.

Hon. Mr. Parrott: That's true here, too. The application started June 25. I really don't think we will ever see eye to eye on this. I think there has been a great deal of observation on our part, and very careful presence there. I think people are aware of our presence and of our interest in Ontario. We will continue to be that presence there, but to make a formal presentation—

Mr. Kerrio: You'll leave that to me.

Hon. Mr. Parrott: No.

Mr. Kerrio: I'm happy to do it. It gives me a lot of experience when I step in to do your job properly. I would damned well be over there telling them. Maybe it's because I'm from Niagara.

Hon. Mr. Parrott: I don't think you would. I would be betting a lot of money that you would see it quite differently, when you knew that they would be over here at all our hearings and we would be all over; you would be so thin, Vince—well, I'm sure you would have to get a lot of new clothes.

Mr. Kerrio: Your weight would mean a great deal in this area—

Hon. Mr. Parrott: Sure it would. But it would be absolutely wrong, because they have jurisdictional control and that's the way it should stand.

Mr. Chairman: It is now 10:30. Tomorrow morning Mr. Mackenzie will lead off; followed by Mr. McKessock, Mr. Isaacs and Ms. Bryden in that order, on item 4, vote 2102.

The committee adjourned at 10:32 p.m.

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From the Ministry of the Environment:

Bidell, Assistant Deputy Minister, Regional Operations and Laboratories Division
 McTavish, D. A., Regional Director, Southwestern Region, Regional Operations and
 Laboratories Division
 Ronan, G. C., Director, Laboratory Services Branch, Regional Operations and
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 Salbach, S. E., Supervisor, Planning and Co-ordination, Water Resources Branch,
 Resources Division
 Scott, G. W., Deputy Minister
 Van Fleet, G. L., Supervisor, Municipal and Private Section, Pollution Control Branch,
 Environmental Assessment and Planning Division



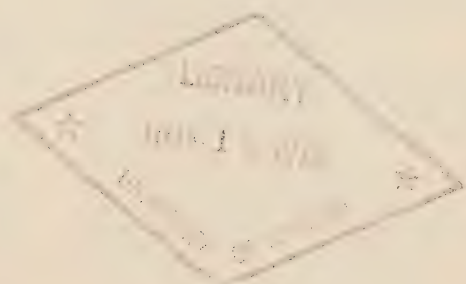
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of the Environment



Third Session, 31st Parliament

Wednesday, October 24, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATURE OF ONTARIO

WEDNESDAY, OCTOBER 24, 1979

The committee met at 10:10 a.m. in committee room 2.

ESTIMATES, MINISTRY OF THE ENVIRONMENT

(continued)

On vote 2102, environmental assessment and planning program; item 4, pollution control planning:

Mr. Chairman: The meeting will come to order. Is Mr. Mackenzie available? If not, we'll let you go ahead, Mr. Isaacs.

Mr. Isaacs: Thank you very much, Mr. Chairman. I'd like to ask the minister a few questions—and I realize the committee is very pushed for time—concerning environmental assessment of major municipal undertakings. When the Environmental Assessment Act was passed in 1975, I think it was with the clear understanding on all sides that municipal projects were to be included under that act.

In 1977, the then minister, Mr. McCague, indicated that the proposed regulation was being circulated to the Municipal Liaison Committee and to other interest groups prior to submission to cabinet for approval. Yourself, Mr. Minister, indicated to the Provincial-Municipal Liaison Committee in October of last year that you'd hope to take the regulation to cabinet before the end of the year. In May of this year, the Premier indicated to me that you were finalizing for cabinet's consideration a regulation to extend the act to the municipal sector.

During estimates for Intergovernmental Affairs just the other day, I asked the minister a few questions concerning environmental assessment of major municipal projects, and he indicated to me that it would likely be next spring before we saw any movement in this area. Do you concur with your colleague's assessment of the situation? In their words, are we going to have to wait until next spring for the regulations?

Mr. J. A. Taylor: Why should municipalities suffer the juggernaut of bureaucracy? Tell us. Explain yourself.

Hon. Mr. Parrott: Mr. Taylor, you're supposed to be on my side.

Mr. Gaunt: He had a good rest last night.

Hon. Mr. Parrott: I can't argue the case. I think the minister said it correctly.

Mr. Isaacs: Could you give an indication, Mr. Minister, of what the holdup is? I realize that ever since the act was passed there was a difficulty about duplication of hearings, but does it really take four years to deal with that situation? I am concerned that there doesn't seem to be the commitment to proceed with assessment of municipal projects that many of us had hoped for.

Mr. J. A. Taylor: You're preaching economic slowdown.

Hon. Mr. Parrott: I'm most hopeful that the Ontario Municipal Board's environmental assessment hearing on landfill will be done in this next session of the Legislature. We're just plain out of time for any amendments to the act, and it will require amendments to the act. There's not a snowball's chance in you know where of getting another piece of legislation on the Order Paper and through this fall. It's physically impossible. It's not just the time of the ministry, but more particularly the time of this House. I don't think, unless there were a dire emergency, that there's a chance of getting more legislation through this fall. I think you'd agree. It's easy to point the finger at government and say, "Ah-hah! You don't have it here."

I suspect that we have heard a lot of things said for the fourth and fifth and sixth time in committee debates on the legislation, and it's fine to put it on the record, but how many times do you want to put it on the record before it's considered put on the record? We are not getting this legislation through as quickly as we should, and could, but that isn't all the fault of the government, by any stretch of the imagination.

I am not trying to tell you that you don't have a right to put it on the record as often and as frequently as you like. I simply say that when you spend 10 hours on one bill, you don't have five hours' opportunity for another bill. You could have done it in five; you could have had two bills through. If you choose to put in 10 hours on a bill, and that's the choice that is frequently made, then you cut off the amount of legislation that can go through. Our House leader tells me there is no chance of more legislation to proceed this

fall; so I don't know how we can hope for those amendments until next spring.

[10:15]

Mr. Isaacs: I'm certainly not in a position to judge the pressure on the Order Paper. It would seem to me it's something that could be dealt with if it were considered to be of sufficient priority by members of all three parties. Can I ask whether at least the proposed amendments have been presented to cabinet?

Hon. Mr. Parrott: Yes.

Mr. Isaacs: Have they received cabinet approval?

Hon. Mr. Parrott: Let me be very clear. We're talking about the amendments to the Environmental Protection Act that will be necessary to reduce, in this instance, the duplication of hearings. Okay? That's probably the most significant one that's out there for municipal undertaking. Roads would be the other one, I think. Those two major undertakings for environmental assessments would apply to municipalities.

Yes, cabinet has fully agreed with the proposals that we have put forward to eliminate the duplication of hearings. That will require an amendment to the act, and that has been agreed to by cabinet. It's a matter of House time, on that particular one; nothing more, nothing less.

Mr. Isaacs: Can I ask what kind of amendments you have in mind? How is the duplication going to be avoided? Is it going to be by having one new board that deals with both Ontario Municipal Board matters and assessment matters?

Hon. Mr. Parrott: There will be an environmental assessment hearing, with someone from the OMB to represent the aspects of the hearing that normally are better dealt with by the OMB. I'm talking about land use. It will likely be a panel—never less than two; likely three—where the terms of reference will be under the broader terms of environmental assessment rather than an OMB hearing, and all matters will be dealt with by that one hearing. It's not a new board. The Environmental Assessment Board will be the hearing board.

Mr. Isaacs: It'll be members of the Environmental Assessment Board?

Hon. Mr. Parrott: With cross-appointments from OMB on an ad hoc basis.

Mr. Isaacs: I see. That was the point I wanted clarified. I appreciate that clarification, because that was a concern I had, that people who were on the assessment board

might not be the people who had skills in OMB-type matters.

Hon. Mr. Parrott: No. They'll be cross-appointments.

Mr. Isaacs: That's excellent. One thing that has been suggested to me, Mr. Minister, is that the fact that this delay is being introduced could be allowing municipalities to proceed with projects—in other words, to get them in under the wire—before the new regulations and the new amendments are put in place. Could you give me an indication of whether this—I hate to use the word "retroactivity," but will the amendments apply only to projects that are given municipal approval after the date of proclamation of the amendment?

Hon. Mr. Parrott: Yes, I don't think there's any doubt about that. There will be a period of time that's always been part of the package when the Environmental Assessment Act applies to the municipalities—that they will be exempt, for the reason that they were too far advanced to be part of the process. You can't apply an environmental assessment hearing while the shovels are in the ground. It may not be completed, and that's too obvious. I'm sure everybody would agree.

It gets difficult when you've purchased the land, when you've done the planning, you've had OMB approval, and maybe you're ready to let contracts. It's at the stage where it's a fait accompli except no one's put a shovel in the ground; so it would be extremely unfair to put that through an environmental assessment hearing. It's had some hearings, but it hasn't had the full hearing. There will be a grandfathering time, if that's the appropriate use of the word "grandfather" in that sense. It will be a phasing in, the same as we did and are doing under the Environmental Assessment Act as it applies to the province.

Mr. Isaacs: If I can take as an example—I know my colleague from Hamilton East wants to address it later in greater detail—a major expressway undertaking like the Red Hill Creek Expressway, it's my clear understanding that the council of Hamilton-Wentworth is aware that physical work on the project is not likely to start for at least three or four years. The planning process is really just getting under way now, and there is a tremendous amount of engineering work and the like to be undertaken.

So it seems to me that there is time for an environmental assessment on that project even if the amendments to the act can't be dealt with until next year. There the grandfather seems to be working the other way

There's the potential for the municipality to actually get in under the wire and avoid a hearing, if that's what it wishes to do, simply because of the delay in the introduction of the amendments.

Hon. Mr. Parrott: I think there are other illustrations. There are two responses I want to make. One is, it's rather interesting that, notwithstanding the great advantages of an environmental hearing that you and I agree on, there's practically no project from the municipal world—I can't think of any, but I stand to be corrected—that has applied. It's always been up to the old Ministry of the Environment to hang in there and make sure we do all these things. That's fair enough; it's our act, it's our responsibility and we shouldn't shirk it. But it's rather interesting to know that nobody ever asked to have this great advantage applied.

Here we are in municipal councils, non-partisan in the political sense, the party sense; I'd like to ask my director if we've ever been asked by a municipality to have a major project by a municipality, like a road or a sewer—have we had one like that?

Mr. Caplice: I believe, Mr. Minister, there are two, if you take the Orillia Water, Light and Power Commission, which is a utility, and the regional road at Kitchener-Waterloo.

Hon. Mr. Parrott: I ruled the first one out in my terms of reference, and the second was with a little pushing from the Minister of the Environment.

Mr. Caplice: Yes, I would agree.

Hon. Mr. Parrott: I was well aware of the two that Mr. Caplice mentioned, but they weren't spontaneous. Let me say there are zero who have come forward wishing for this. You'd think that if there was that great enthusiasm there for the cat, that I wish was here and that you are wishing was there, one of the enlightened municipalities out of the 700 or whatever would say, "This is a great thing: why don't we have it?" But they're not. That has to say something to both of us. Whether we like what it says is another matter. But they are not coming forward.

Mr. Isaacs: I certainly can't justify the action of the municipalities, Mr. Minister, but I think the word has got around, similar to what which your colleague across the table was saying a few minutes ago, that it's more bureaucracy, it slows down the process, et cetera. I don't believe that to be the case. I believe it to be an essential part of municipal planning.

I'm saying to you, can't something be done one of two ways: either to sell it to munic-

ipalities so they do come forward voluntarily or, alternatively, to coerce them into coming forward for environmental assessment, rather than allowing them to get away without that procedure, as they are doing at the moment, and as I am convinced many municipal politicians hope to continue to do by approving their projects now, rather than waiting until after these amendments have been dealt with by the House?

Hon. Mr. Parrott: Disappointing as it may be, I don't think there's going to be. My guess is, since the acts have been there for four years now and they could have applied, the truth of the matter is fairly obvious: It won't be a matter of persuading or coercing the municipalities; it will be a matter of legislating. It's that simple. I have no illusions on that one at all. The municipalities will only do it when forced.

Mr. Isaacs: I suspect you are right and, to be honest, I think that's a pretty sad commentary on municipal government. But that brings me back to my original point, that if there is any way at all that can be found to force them, surely we can get this rolling, because it's been around so long. Even back in 1977 the then minister, Mr. Kerr, was responding to the Provincial-Municipal Liaison Committee that the proposals be proceeded with immediately on the understanding that adjustments would be made if required as a result of action arising from the Planning Act review or as indicated by experience in the course of implementation. That was in a report that the then minister presented to PMLC in October 1977.

We are all aware that there is a problem with duplication but can't we find a way of making some temporary arrangements to have the OMB and the assessment board sitting concurrently in the same room just to get these things going, to make sure the assessment process does proceed on municipal undertakings?

I just can't believe that since 1977—

Hon. Mr. Parrott: Can I give you this commitment? The only reason it isn't in here this fall is because of House time. There's absolutely no doubt in my mind that those amendments to the duplications in the act will be here next year in the spring session of the Legislature.

Mr. Isaacs: Okay, I appreciate that. And I hope something can be done to ensure that municipalities don't use that commitment to get in under the wire rather than—

Hon. Mr. Parrott: There will be obvious exemptions, you know—under \$1 million, as an illustration—but the major projects are too

important to the municipalities to sort of tailor everything based on that time scale; there are too many other factors involved. I don't see that as likely to be the determining factor.

Mr. Isaacs: Well, I hope you are right.

We have a couple of other questions about the hearings that have already taken place in Glanbrook, Mr. Minister. First of all, it is my understanding that the Premier will be receiving a report from the board within, literally, days.

Hon. Mr. Parrott: Who will?

Mr. Isaacs: The Premier, I believe, is a recipient of the report from the Environmental Assessment Board when it is hearing under the 1971 act. Does it come to you?

Hon. Mr. Parrott: Not even to me.

Mr. Isaacs: I see. Well, what are the procedures that are in place? I wanted the opportunity to discuss what will happen to that report before we know the contents of the report. I certainly have no idea what the board is going to say; I assume you don't.

Hon. Mr. Parrott: That's correct.

Mr. Isaacs: Can you give us an indication of the likelihood of your accepting the board's advice, whatever the board's advice?

Hon. Mr. Parrott: I would like Mr. Caplice to answer that. I think I have a reasonable knowledge of how the process works but every time I say that I find there's another small phrase that I misunderstood. It's not that difficult and yet, because there are different acts that apply to the environmental hearing process, you get slightly confused—at least I do; but Mr. Caplice never does, so let him answer that.

Mr. Caplice: Thank you. The board's report will contain a set of recommendations to the director of environmental approvals, the position that I hold, and then the board's report will be released to all parties at the same time. There will be a period of review and comment from within the ministry and I expect on this case from outside about the stance of the board in regards to that particular landfill hearing they are reporting on, and subsequent to that period a decision will be made.

In the case of Maple and the other large ones we have dealt with over the last three years, we've tried to make these decisions within periods of 30 to 45 days in order not to allow the whole thing essentially to be re-heard and re-tried in the press, in the media, and every place else. Depending on the position I take on that hearing, there can be appeals. As you may or may not know,

the legislation only really contains an appeal procedure for the applicant; it does not contain an appeal procedure for the other parties to the hearing over there. In that sense I think it has been viewed to be not a fair procedure, but that is the way the current legislation reads. So it depends on the decision that I render. If it's a favourable decision, the applicant is not likely to appeal; he is likely to be delighted. If it is an unfavourable decision, then they can appeal to the Environmental Appeal Board and ultimately to the Minister of the Environment. But on that report, I do not know the contents or recommendations that will be forthcoming from the board yet.

[10:30]

Hon. Mr. Parrott: I would like to underline that last statement about the eventual involvement of the Minister of the Environment in the appeal process. It is very badly misunderstood. By and large, people expect me to have a position at this time, not knowing that eventually I could very well be the judge and jury on that decision. I am sure all of us understand that if we were in the lower court and we went to the appeal court officer and said, "What's your position on this?" we wouldn't be surprised if he said, "I haven't heard the case, and I wouldn't possibly comment on whether I am for or against." But, regarding the minister's role, that's not an understood position out there and yet it happens to be a fact.

It is understood as far as the law is concerned but not as far as the Minister of the Environment is concerned and his involvement in the appeal process. I re-write letters all the time to try to make that more and more clear. It is not ducking responsibility, as it is so easy to accuse; it is absolutely wrong. It would be absolutely wrong for me to answer the one legitimate question that you pose, because I don't think you would want me at this time, before the review, before the decision, before the recommendation, before all that, to give you a statement of my position on the issue when eventually I must be part of the appeal process. You would be fundamentally opposed to that under the bounds of natural justice.

Mr. Isaacs: I agree with you entirely, Mr. Minister. The difficulty is that, whether with justification or not, the impression has been given that your ministry has already been involved in that you were represented, and I have to say you were represented because your staff was present at the hearings and appeared to be taking one side or the other. I say "appeared" advisedly. I think a lot of

people involved in those hearings would put it much more strongly than that.

Hon. Mr. Parrott: As a result of those hearings and because of the presentations here, subsequent to the time it was raised here in committee we have tried to appear absolutely as pure and impartial as it is possible to be where we sit. Granted, that was one of the criticisms we heard: "Well, you are sitting there and, by your presence there, it appears as though . . ." So we went back to the ministry and bent over backwards to try to sit in a neutral spot.

We are neutral in every sense of the word. I know that the person who makes the decision, Mr. Caplice, makes every possible human effort to be neutral and judge it on its facts. That's the person you would have to worry about if he were coming out now, saying, "I think this was done wrong" and "That's wrong" or "That's right." But he takes that very neutral position.

We obviously have to testify because frequently, at such a hearing, the repository of the knowledge is with the ministry. We will put the facts forward, but it is very difficult sometimes to put facts forward in such a manner that you would not infer certain things. I know that. But let me tell you by a direct statement of policy and, even extended beyond that, a direct decision on our part, that we seek to be seen as being neutral as well as being as neutral as it is humanly possible to be at hearings. I will tell you I don't think maybe we've done that as well as we will in the future and as we have in this hearing. The point was made, and we are adjusting to the importance of being seen as neutral.

But you will never escape the fact that those who don't like to hear a certain piece of evidence when we think it is appropriate evidence will come forward and say, "Ah-hah! They are on the other side." You know the old syndrome. You are either for us or against us.

Mr. Isaacs: That is right, but the difficulty is that in those kinds of hearings there is often a dispute among the experts. I guess the reason we hold them is to present expert opinion on both sides. When the ministry's expert appears to favour one side or the other, then I suggest to you that the ministry somehow is seen as being more likely to be right than witnesses called by the other side.

There is a belief that the ministry is somehow the repository of a greater amount of knowledge than most other people on these things.

Hon. Mr. Parrott: I'd like to think we are. That is the point. There are facts and

knowledge, and that is what our staff believes in. If that is contrary to a certain position held by either side, I am sure that whichever side was offended would not like to hear that evidence. I tell you it is what the staff of the ministry believes from its base of knowledge which, as you said and as I said, is very large. It is from that base of knowledge that they put that information forward, but I think you have to view one more thing. There is absolute insulation between the minister and the ministry and the Environmental Assessment Board panel. I have never phoned the chairman or hearing officer to give him the benefit of my wish. It just isn't done. It is one thing not to write it; it is another thing not to say it. There has been no communication.

As you know, the chairman is my ex-deputy. Since that time I have seen him literally at one Christmas party. There is just no communication, as there shouldn't be. I want to emphasize the importance of insulation between the ministry and that hearing officer. It would be just as wrong as talking to someone in the OMB. I can't emphasize that enough. It was a going-away party, not a Christmas party; I'm sorry. Let the record show it was a going-away party.

Mr. Isaacs: In a formal sense there has been communication between your staff and the board during the board sittings. I assume there has been communication between yourself and your staff who were present at those hearings. There may well have been informal communications between staff at that level and the board members who were at the hearing. There is just no way of telling. I am sure they passed the time of day. We all did.

Hon. Mr. Parrott: Do you mean other than on the record?

Mr. Isaacs: That is a clear possibility, given that the board members took lunch with the entire group of people who were present at those hearings. There is just no way of knowing what conversations transpired.

Hon. Mr. Parrott: It is different from a court of law.

Mr. Isaacs: Right.

Hon. Mr. Parrott: It is a far more informal process, as I think we all want it to be.

Mr. Isaacs: That leaves open the feeling in people's minds. The ideal would surely be that the ministry is not involved, except to present evidence as witnesses called by one or other party, when they would be under oath presenting that evidence, rather than sitting there through the entire hearings inter-

jecting as a counsel, as if they had some kind of role. At an OMB hearing, the Ministry of Housing staff are not present there on the floor, presenting evidence about whether it conforms to government plans in the housing area or that kind of thing. I really don't understand why it is necessary for ministry staff to be present in an Environmental Assessment Board hearing, except when they are giving evidence under oath and can be cross-examined.

Hon. Mr. Parrott: To conclude this—not to cut you off because I think we have dealt with it—we have a set of guidelines that evolved out of the discussions here in this committee about the appearance of being neutral. I think we are more frequently criticized in the scheme of things for not appearing and giving expert evidence than we are for being impartial. If you look at it in balance, people expect the ministry with the expertise it has to be there and to put that expertise forward. I agree with you that we must appear to be as neutral as it is humanly possible to appear, and we are making every effort to do so. But we must be there because we are the body with the knowledge.

Mr. Isaacs: I won't take up any more time, Mr. Minister, but I hope that is something that will be under continuing review. I also hope, given the limitations of the act when the report on Glanbrook was produced, that if either side wishes to present some kind of appeal you might consider ways of accepting an appeal from the objectors, if indeed they wish to do that—and I have no way of knowing.

As a final comment, I will certainly talk to my House leader, and I hope you will talk to the government House leader, about finding a mechanism to expedite the legislative consideration of the amendments you have mentioned to us. I personally would like to see them dealt with this fall if it is at all possible. I hope you will consider that.

Mr. Chairman: Mr. Mackenzie was supposed to be first, but I put Mr. Isaacs in; so it should be Mr. McKessock now and then Mr. Mackenzie.

Mr. McKessock: Mr. Chairman, I just want to talk for a few minutes on the proposed landfill site and the hearings that have been going on in Grey county, Sydenham township and the Owen Sound area. Mr. Minister, you are quite familiar with—

Hon. Mr. Parrott: Bob, Mr. McTavish is here. Do you want to get the answers from yesterday, do you want to do that privately

or how do you want to do it? We have the information to the questions.

Mr. McKessock: Yes, I'll take the answers.

Hon. Mr. Parrott: Before you start?

Mr. McKessock: All right; fine.

Hon. Mr. Parrott: We could finish up that tag end. Do you want those now?

Mr. McKessock: Okay. I will take the answers to yesterday's questions first.

Mr. McTavish: Yes, Mr. McKessock, I have some information for you. The situation is that the property from which the alleged pollution is coming is owned by someone outside of the area. It is leased, however, to a gentleman who is operating a feedlot; presumably he is from the local area. But it is alleged that runoff from his feedlot is contaminating a dugout pond that Mr. Miller has been using as a livestock watering pond.

Mr. McKessock: That water is also used for his house.

Mr. McTavish: Is it? We have been advised that he has a well in addition.

The Ministry of Agriculture and Food and our staff have been up and investigated. We have taken samples. We are of the opinion that the pollution is coming from his feedlot. OMAF, with us, have suggested a certain diversion, construction, et cetera that would alleviate the problem. He has written back indicating that he cannot afford it. We have had the farm pollution advisory board up to look at it; I believe it was yesterday they went to see it. We anticipate a report from them very shortly. Our staff have prepared a reply for you but apparently it hasn't gone out of the office yet.

Mr. McKessock: Thank you. I just want to clear up that one point: They do have a well for drinking water, but water from the pond is also used for washing in the house, and it has acquired a substantial odour, which is of very little benefit to wash in.

Mr. McTavish: The pond is highly enriched, with algae growing in it. I guess the feedlot operator is indicating that he feels fertilizer et cetera is gaining access as well as manure, but we are reasonably confident it is the runoff from his feedlot.

Mr. McKessock: Thank you.

Mr. McTavish: It could result in an order on him, of course, if he isn't able to comply. I think after he has heard the recommendations of the farm advisory group, we will be able to assess it a little better.

Mr. McKessock: How much time do you feel would be reasonable to elapse before he

did make the corrections or before you put an order on him to make the corrections?

Mr. McTavish: We will be in a position to move, I guess very quickly, once that report is in from the pollution advisory board. It is normally within a few days that we get their report; so we could have it later this week or early next week.

[10:45]

Mr. McKessock: I'd like to go back to the landfill situation in the Owen Sound area. As you know, Mr. Minister, there have been hundreds of thousands of dollars spent on environmental assessment hearings there. I just want to get a few points clarified and maybe, somehow, we would be able to avoid spending as many hundreds of thousands of dollars on the next Ontario Municipal Board hearing, which is scheduled for January 1980. The last hearing stretched over a period of about two years, I believe.

Of course, we have a bad situation up there where the present landfill site is filled. Now, it's being dumped in and earth is being drawn in to cover it. It has polluted surrounding wells and it's a bad situation; so there is an urgency to have something done to get rid of the garbage in some other site or in some other way.

In the last few months great strides have been made towards alternatives to landfill by the county and the city. They have both set up incineration committees. They were made aware of the ECE group, a consulting engineering firm from Toronto which did a study for an incinerator down in P.E.I. to produce electrical power for a hospital; it would supply 70 per cent of its electrical needs and 100 per cent of its heating and cooling.

I was asked by the county to set up a meeting with this engineering firm, for them to discuss the situation for the Owen Sound area. This we did, and we were impressed with the firm and the knowledge they had in this area, but we were in a bit of a bind. Neither the committee from the Owen Sound council nor the county council had been delegated any funds to go any further. Also, they felt something should be done to make a presentation before each council to show them the benefits of incineration and what could be done. Both of the committees were set up with less than 100 per cent support for incineration because people in the area weren't too knowledgeable of what could be done.

After meeting with this firm, they decided that the people in the Owen Sound area and

the county should have the same presentation so they would understand what incineration could do for them.

They asked Gerry Pregel of the ECE group if he would do an overview of the situation in Owen Sound and make a presentation before the county and city councils. Despite the fact that we had no money, we went sort of hat in hand to this company; he did agree to come up and look at the situation and to present a discussion paper or an overview of the situation to the county council and the city council.

This he has done. It is a similar situation to that of the Prince Edward Island study; the hospital, Georgian College and Sydenham school are in a small area, and incineration could be set up to supply energy to those facilities.

After he made his presentation to council, it appeared to be a different story as far as attitude towards incineration was concerned. The county council voted almost unanimously for the committee to proceed to get a complete incineration report or feasibility study done for the area and requested the co-operation of Owen Sound. It was hoped this study would allow the committee to reach a point where, if desired, it could proceed to tender for an incinerator.

They acknowledge the fact that a landfill site will still be needed but, in conjunction with an incinerator, most of the objections would be removed because they would then be bearing a substance that would be non-polluting.

If this project moves ahead fast enough, I feel a lot of money could be saved in the upcoming OMB hearings because of a shortened hearing or maybe the elimination of the hearing altogether.

It is my understanding that someone from the waste management branch of your ministry and the Ministry of Energy would work with the committee to draw up terms of reference for a feasibility study.

I might also mention that earlier on, before we even met with this engineering firm, an incineration firm came up and made a presentation to county council. At that time there were representatives from your ministry and from the Ministry of Energy as well. I believe on that evening they said you would be willing to do a feasibility study for the area.

What I want to get clarified here now is whether your ministry can proceed to come up with the terms of reference for a feasibility study and undertake to have this study done as quickly as possible.

Hon. Mr. Parrott: You are talking about a feasibility study for just incineration? No other considerations at all?

Mr. McKessock: Incineration with the energy recovery to supply electrical and heat needs for the hospital, Georgian College and Sydenham school.

Hon. Mr. Parrott: So we are talking about a resource recovery program rather than pure incineration?

Mr. McKessock: Right.

Hon. Mr. Parrott: As you know, we talked about this many times in the past and with different ideas and different people involved. Yes, we, along with Energy—and more particularly Energy—will lead in this area, which is a change from when you and I last talked about it. The Ministry of Energy will be the lead ministry now in those kind of resource energy recovery projects, and at that time they weren't. So that's a change of significance but not in substance. We, along with the Ministry of Energy, would be prepared to assist and give you a great deal of help on energy recovery.

Mr. McKessock: What steps are to be taken now to see that these terms of reference for a feasibility study are set up and that the feasibility study is undertaken?

Hon. Mr. Parrott: Have you made a formal request? Has a formal request been made from you to myself or to the Ministry of Energy?

Mr. McKessock: No.

Hon. Mr. Parrott: I think then you should get the appropriate councils to pass the necessary bylaws and resolutions. I would prefer you would address it to the Minister of Energy but, since we have had a lot of dialogue on it and with the municipalities, we are more than prepared to act as the messenger, if you will, and the participant after the lead Ministry of Energy takes on that responsibility. But for the Minister of Energy I think we can give you that commitment. It's only a matter of you formally requesting and we will go ahead and do it.

Mr. McKessock: I understand there would not be a cost to the municipality in this situation.

Hon. Mr. Parrott: Are we talking about just the feasibility study or the paying of the study? Are you talking about drawing up the terms of reference or paying for the study? Which?

Mr. McKessock: The terms of reference for the study have to be drawn up first; right?

Hon. Mr. Parrott: Yes.

Mr. McKessock: And then the study takes place. I am talking about the study.

Hon. Mr. Parrott: I am not prepared to accept the second part. Certainly we will accept the cost of establishing terms of reference, and we would do the necessary ministerial work. I think we've only agreed, previously, to the best of my knowledge, to be sharing that responsibility—never to go on it alone.

As you know, we made an offer up to 50 per cent of an agreed project for resource recovery. I think that still stands. There's money available from the Ministry of Energy to assist, but I don't think I ever recall anyone ever saying we would pay for all of the studies.

Mr. McKessock: I'm not sure we talked about the studies before. I understood the ministry would be paying for 50 per cent of the cost of the incinerator and resource recovery. The study itself, I understand, would be paid for by the government.

I understand you're doing a similar study in London at this time.

Hon. Mr. Parrott: We haven't got a cent in that one. I think I'm correct, Mr. McTavish. I don't think we've committed a cent to the study with Victoria Hospital, have we?

Mr. McTavish: No, not on that one.

Hon. Mr. Parrott: I think that's the one Mr. McKessock's referring to. It has a lot of merit. I think it's a great idea and all that, but I don't think we've got a dollar involved in there, and Mr. McTavish confirms it.

Mr. McTavish: We did have some involvement in the study into resource recovery at London two years ago as part of our overall scheme—London was selected as one place for resource recovery. We paid for the study in resource recovery.

Mr. McKessock: That's the one I was referring to as the one that I understand the ministry had paid for.

Hon. Mr. Parrott: I thought you meant the specific one. I think the important thing here is to make the formal request. We will certainly draw up the terms of reference and we will negotiate the study costs. That's all negotiable. I don't think I can commit more than that for my fellow minister.

Mr. Mackenzie: I am going to be much briefer, even though there is some detail I had wanted to go into, simply because I've got another session at the Hydro committee I really want to be on. But I made a commitment, and I think I can say without any fear of contradiction to thousands of people

—hundreds of them individually—that I will ask you, at this session today, for what I and my colleagues have asked you for by letter. That's an environmental assessment board hearing on this matter prior to, and without waiting for, any legislation or anything else that may go on.

I think a few of the comments that came out earlier indicate clearly that at least some members of the municipal council, and certainly the mayor of Hamilton, are not interested in a hearing unless they get it on their terms. That, at the moment, is an immediate combination, and you can't, as you know, look at alternative sources if it's an OMB hearing on this matter. That's just not good enough. I don't know at what stage of the game somebody is there to protect the citizens of the community. The citizens of this community are concerned.

I want to pass on just three or four little bits of information to you. During the period from May 24 to July 31 alone, and not counting petitions on which you know there were thousands of names about the Red Hill Creek Valley and the desire to do something about it—I'm going to use only two or three of the letters here; they're simply representative, not even the best, although the feeling in all of them is worth something—I had 120 separate, individual letters, some of them in great detail, and 130 individual phone calls. That did not count something like 200 letters from kids in the neighbouring schools, a sample of which is just there. Without exception they are asking for help or pleading for some assistance in an adequate hearing on the valley. They want it stopped, obviously, but how do they get their chance to say the things they want and to make their points of view known?

When I say the city council and the mayor of Hamilton are not going to be anxious for an environmental assessment board hearing, here are a number of reasons for it.

I think you should get your people to take a look at the presentations that were made at the special meeting of regional council that was called to hear presentations from people. It was very significant, I thought, that there was only one exception—a ratepayers' group on Centennial or Highway 20—and there was certainly a vested interest in that group because they were fearful that Highway 20 might be one of the alternatives that was looked at. Maybe long ago the plan should have been made for Highway 20 to be a connecting link.

But with the exception of that, it's interesting to note that those who argued strongly for the route were almost without exception

the Hamilton Real Estate Board, Di Cenzo and Sunshine Construction, the chamber of commerce, Hamilton and Stoney Creek—I could go down the list. We had the developers and real estate people out in force, and the chambers.

Almost all the opposition to that freeway suggestion was from people-oriented and community groups such as the legal aid centre and the Save the Valley Committee, which is a very extensive one; I think they were speaking for one hell of a lot of people who just don't know where they get some guarantees from this government that they've got somebody who will speak for them.

[11:00]

I draw your attention to a very extensive survey done by the Rosedale Community Centre. The large majority of the Rosedale Community Centre—other than on the north and east ends of it—wouldn't even be directly affected by that freeway. In a survey answered by almost every single resident in that community 96 per cent were against the Red Hill Creek Valley as an expressway route, 92 per cent were against the Greenhill extension, which would have cut across the north end of their particular community, and 69 per cent—get this, because this would have taken it out of their community entirely—were against any compromise on any highway through the valley.

When I say "would have taken it out," the compromise most often talked about would be to cut in at King Street. That would remove it entirely from the Rosedale Community Centre area. Even at that, 69 per cent of all those people were against any compromise, even if it meant the possibility of stopping it in terms of the rest of it. That's a community not all of which is or would be directly affected by that freeway route.

The people want to know where the hell they go. I know you've got the authority to order a hearing. That at least should be clear, because my feeling is the hearing is going to raise serious doubts about ever putting a highway down that valley.

I happen to feel very strongly about it. My feelings have increased, I guess, as a result of walking it now twice, once during the summer in August. I was rather amazed at the impression the entire valley had on me. I had the privilege of walking through it with a group. One of the little girls was spastic and we had to carry her a good part of the way, but she insisted, along with her two sisters, that she wanted to walk through the 5.2 miles. They live on the edge of the val-

ley. We had some problems. We had to carry her because getting across the creek in a few spots was difficult. There are some rough areas in it.

Barring the first two or three areas, not even up to Queenston Road, I guess, there is some dirt, some smell in that creek, none of which probably couldn't be cleaned up. From the very minute you enter that valley, right down at the railway tracks or Barton Street, you're in a different world entirely. You don't even hear the traffic, other than when you're actually going over or under one of the cross-streets.

I was utterly amazed at the potential for that valley and the meadows we went into.

I haven't seen in a long time walnuts to the extent I saw on some of the trees down there. In some of the lower parts I saw wildlife that I thought had moved out. We watched the hawks. We watched the birds. I looked at the old apple orchards that are still there in part of it.

I remembered Mr. Marshall, who was a parks member many years ago, and his rather grandiose but, I think, serious plans for turning the whole valley into a walkway and parkway for the people of the city of Hamilton. I remembered some of his areas that could be turned even into small community vegetable growing plots because there used to be cultivated land and apple orchards in part of that valley.

The valley from Queen Street down would be totally destroyed by a route through that. You'd write it off. A very good part of the northern end of it would be damaged severely if the north end of it were used as well. The people know that. Prominent people are concerned. I can't help but read just a few comments of Mr. Vanderbrug of the regional conservation authority, which is totally opposed to any freeway down through that and wants a hearing also.

While Mr. Vanderbrug admits the valley isn't used much now, he said, "that is because it hasn't been developed due to lack of funds and the uncertainty surrounding the freeway issue. The Hamilton Region Conservation Authority regularly acquires land throughout the region but only improves it for recreation when funds are available.

"In the case of the valley, the uncertainty of the freeway has made it inadvisable to spend money on development. In 1968, the HRCRA recommended the city maintain the valley in as natural a state as possible, catering only to such passive recreation activities as nature study, walking for pleasure, winter snowshoeing or trail hiking, horseback riding and controlled picnicking."

He goes on to make some comments—and they're all very negative—about the effect, as he sees it as a member of the conservation authority, on the development of that route. A letter to me from one of the current members makes two comments. He deals with the scare tactics being used by proponents of the freeway and comments on the mayor's rather cynical charge that people really don't know what they are talking about since he didn't see anything special there.

I don't know where the hell the mayor looked when he took some of the developers and walked through that valley. Let me tell you, my colleagues and myself, and hundreds of others since, have gone through it and I haven't seen a valley area with as much potential as that Red Hill Creek Valley.

What are the people saying? This happens to be a little partisan publication so you can ignore the words on it. I am going to show you three of the pictures to give you an idea of one of the meadows through which we walked. One shows the tree stands through it and the rather magnificent cliff in the lower end of it, which is part of the area that would be totally destroyed and is one of the interesting things I found when walking along the edge of the waterway in that lower end of the particular valley.

If I can, I want to read two or three of these people's letters to show their concern. Most of them are nonpartisan, one or two of them are thank-yous, and they are short. I am not going to cut anything out; so I can't be accused of reading excerpts only.

The first one is from a Barbara Pietraccini and it's also signed, as they say at the end of the letter, by neighbours Miculan and Burke as well.

It says: "Dear Mr. Mackenzie: Thank you so much, sir, for taking up our banner against the Red Hill Creek Valley expressway. You and your party"—this is the only one that says this. I am not trying to put this in for a commercial, but I want you to know the feeling of these people from the letters. I am going to take three of them here which will give you some indication. "You and your party have earned my support because of your views. We love this valley. We hike and birdwatch in it on a regular basis through the valley. It is a little bit of heaven in an otherwise polluted city.

"I can assure you that the men who condone destroying this valley are the same type of men who would view the Grand Canyon as a potential landfill site. You would think that by now they would realize that there are things in this world far more

important and precious than cars and highways.

"I live on King Street, my backyard overlooks the valley, yet it is not only for that reason that I am opposed to this highway. This is the last major green area in the east end. Has anyone counted the different species of birds that make this valley home? Not only is it a sanctuary for birds, but also for man. I and my family shall never forgive the men responsible if this highway should go through. Please, sir, please, sir, continue to help us in any way you can and please advise me how I can further help to save this precious valley."

There have been many more letters since, I want to tell you. There has been no other issue on which I have had so much correspondence. In that one brief period, as I say, I received 120 letters, and 130 individual phone calls, separate from the petitions and the children's letters.

"Mr. Mackenzie: My wife and I are trying to digest the information package provided at the open house relative to the mountain east-west, north-south corridor study. Since the deadline is May 21, it does not give much time for study. Do you suppose it would be possible to have this deadline extended?"

"We are opposed to all the plans put forward for a number of reasons. For one thing, they are assuming that the vehicle traffic will continue to swell until the year 2001 and there will be a three-lane deficiency in the north-south road network. If things continue as they are, it may be that private vehicle traffic will be reduced as to make such an expressway unnecessary.

"Members of the study group in one breath said a road any further east will be useless because it would make people go out of their way, and in the next breath they seem to argue for it since industry will be stretching along the lakefront of Stoney Creek." There is a rather interesting point they are making on that alone, but that's not the environmental end of it.

"Probably the most important reason in our view why Red Hill Creek is not acceptable for a freeway is the damage it would do to the ecology. I asked a member of the study group what would happen to the animals and birds who make it their home. His reply was, they will move. This insensitive and shortsighted attitude has already been responsible for irreparable harm to the water and land in this country in this area.

"On page eight of the information package reads: 'There is little opportunity of repairing the damage caused by road con-

struction in these areas.' We are enclosing a copy of an article on a woman who waged a similar war and won."

The article he enclosed is about Bernice Inman's battle with the bureaucrats in Mississauga. She says, "In speaking to various members of the study group at the open house, there seemed to be a number of contradictions, but it always seemed to come back to a lack of concern for the feelings of the people who object. In fact, we were told that any one of these plans would be used regardless of what anyone said." I happen to hear people saying, in effect, that's what the final result of these hearings is going to be when I monitored many of them; so certainly the impression left with hundreds of people as well was, "What the hell are we fighting for?"

"Is it possible that our governments no longer can hear the voices of individuals but only of those other government bodies, industry and powerful interested groups? I am still hoping that there are some politicians who hear the little man's voice." Signed Harry Miculan and wife.

The other letter is very short: "Regarding the north-south corridor study, I want you to know that I and my family are totally opposed to any route that involves the Red Hill Creek Valley, and I have so informed the regional engineering department. I have marvelled for some time now that planners, politicians and the like seem to live in a different atmosphere than us mortals. I am very concerned about the contaminated air we must breathe, the polluted water and food we consume and the noise that we can barely tolerate. Our mayor says this is progress, we know it isn't, and he should be showed how it isn't. When planners come up with a real alternative to more expressways and more garbage dumps, then it will be progress in our country. I know how important this green belt is in absorbing poison and I know I will never be convinced otherwise." Mr. and Mrs. Stanek and daughter, of Talbot Street.

I won't take the time, because I don't have it, to read some of the letters from the kids. I probably should, because I think some of the most telling things I have ever heard were from concerned kids, and most of these are from younger children.

One is from Elena Tomasini. I went around to see her and her parents: "Dear Sir: Please do not let them destroy the Red Hill Creek, because a lot of children want to enjoy the valley as they are doing now and they have fun in the Red Hill Creek Valley. And I don't want you to destroy it. For another

thing, all of the animals won't have a place to stay there and a lot of people in winter can't go tobogganing. A lot of houses are going to go as well. Please do not destroy the Red Hill Creek."

That's just typical of the handwritten, individual letters.

I want you to know also, Mr. Minister, that when they had us politicians in for an early hearing at the school, back of city hall, —I hope and trust we don't get people in trouble—they had the large charts and the large maps and the displays of the kind of flora and fauna found in the various sections of the Red Hill Creek Valley. One of the people I watched very carefully was one of the people there. It was a selling job, as I think my colleagues can tell you, on the proposals they wanted. It was one of the environmental people who explained what effects there would be. A young lady was being very cautious.

I stayed a little late to talk to her and we got talking about some of the flora and fauna I would look for in subsequent trips I have made through that particular valley. I asked her what she thought of it and her response to me, was: "Please, Mr. Mackenzie, if there is anything you can do to stop it, stop it, but don't quote me."

That was one of the people there for the hearings for the politicians.

Hon. Mr. Parrott: Who did she represent?

Mr. Mackenzie: I am not sure if it was your ministry or the city. She was one of the people at the hearing—I am sorry, I'm saying it even when I shouldn't—one of the environmentalists. They had environmentalists as well as the planners at that particular meeting.

Hon. Mr. Parrott: Mr. Scott tells me it was not one of our people.

Mr. Mackenzie: It may have been one of the city people, because it was a presentation we were invited to by the mayor and the city council.

The point I am making is that there is widespread concern by literally thousands of people. They don't know how they get a hearing on it. Quite frankly, the people who are interested in putting that freeway through, and the mayor of the city of Hamilton, aren't really interested in a hearing. They want an approval, and they want it in a hurry, on the Red Hill Creek freeway.

I don't know how we get some kind of a commitment that says at least there is going to be a damn fair hearing on what kind of damage will be done. I am convinced, as are responsible environmentalists—and I don't claim any particular training or knowledge in

that except walking through it, but common sense tells me this—that much of it will be totally destroyed. I know the effects of impaction and runoff, and of clearing on the upper parts of it, which are extensive. Some of the nicest parts of the area are in line with the plan most likely to be accepted. The people want to have somebody to be able to argue and clear up whether or not their concerns, which I think are legitimate, are legitimate.

I suspect the best immediate action is a full environmental hearing. It's a five-and-a-half-mile route that would just be crazy and make no sense. I don't think it makes economic sense either, but certainly from an environmental point of view it makes no sense to have that road go down. I guess what all of these people have asked me, and what they have asked me since, as a start anyhow, is to make sure they have a hearing, and they're not getting that. The talk about politicians and whether they're responding to people or interest groups is what concerns me. They don't feel at the moment they're getting a hearing and they don't feel very confident with the establishment that is there now in terms of a hearing on that particular issue.

[11:15]

I don't know how many thousands of signatures there were as I wasn't part of that particular campaign by the Save the Valley committee, but I know there were thousands. I know there is no other issue on which I have had that kind of individual feeling. Some of the letters are much stronger than the one or two I read, but I wanted to read them as representative only of the letters I have received.

I don't know how we make the point any stronger with you, because you have the authority, other than to say to give these people the environmental hearing they want. The conservation people think a case can be made at that stage so that we will not see this folly proceed.

Other than now going to you, because the confidence is not there in any other group, I don't know where else to go. My appeal to you on behalf of these people is that they get the hearing.

Hon. Mr. Parrott: In response, there are two or three things I would like to establish. Have you been with the delegations and/or privately with the elected people of that area? Would it be all to do with the city of Hamilton and nothing to do with the region?

Mr. Mackenzie: Basically, I have had them bend my ear and I have had them twist my

arm on it. I've talked to the engineers. One of the things that bothers me is that the planners and engineers seem to be part of what almost seems to me to be a conspiracy to have that go down. I am talking about the city planners and the development planners. I don't find the environmentalists, by and large, supporting it. I find the regional conservation authority against it very strongly. I certainly found every single citizens' group and resident in a wide area there against it.

There was comment made, for example, about some of the scare tactics in this letter from one of the conservation people. In a letter to me, he mentioned scare tactics by proponents of the freeway, from the parish priest who felt it would protect his parishioners from the traffic load now on Mount Albion to the need for it to service the satellite city somehow built before adequate transportation was also provided.

I went up and down Mount Albion personally and covered almost all of the parishioners in this particular case, and they were about eight to one against it. The Mount Albion Road area is one of the areas that has some traffic problems, although they are not traffic problems that we think can't be well handled by other methods at this point in time. The point now is whether these people are going to get the kind of a hearing they deserve on this. The minister has the authority to ask for it. He is not going to get it asked for from regional council, and that's why I appeal to him.

Hon. Mr. Parrott: Why do you think they don't want a hearing in regional council?

Mr. Mackenzie: I think they've made up their minds and they want to go ahead for development purposes. I'm totally convinced they're based on false premises. I sat through the hearing. This is a little out of the environmental end of it, but one of the arguments I raised myself with regional chairman Anne Jones and with the mayor of the city was how could they base the need for this on—I forget the exact figures now—26,000 or 36,000 additional jobs in the Stelco-Dofasco property area and 12,500 in the developing core of the city. My God, there is no place, even with the development of those industries, they're going to put in half those new jobs or even a quarter of them. Most of the people who work down there in the plants know it as well. I think there's a hell of a lot of crappy economic arguments being made as well.

Hon. Mr. Parrott: How do you explain the reluctance of the elected people, as you and I are, to see this as you see it?

Mr. Mackenzie: I don't know what will happen. The experience, as you know, when a major freeway like that has been developed in most cities has been some pretty expensive high-rise and other development around the perimeter and some industrial development that may be added to the value if they do go ahead. They could easily service it with a farther east north-south route, if it were necessary, with 1,000 acres. I am not opposing that, strangely enough in some people's views, because I think it has been too badly chopped up already in the east end of Hamilton between Barton and the Queen Elizabeth Way. That could easily be served farther east. They see some great increase in value in that kind of property if they put the freeway down the Red Hill Creek Valley and allow easy access to that industrial land.

Hon. Mr. Parrott: So you're saying that you believe council only heard—

Mr. Mackenzie: It has been sucked in on an economic argument. It is an argument obviously supported—I'm very suspicious about some of the arguments I heard from some of the developers at those hearings.

Hon. Mr. Parrott: Fair enough.

Mr. Mackenzie: It's interesting that it was almost entirely this kind of people against the ordinary people in the area who don't want it.

Hon. Mr. Parrott: But you haven't got to the point yet. Do you feel there are no environmentally concerned people on the council? Was it a split vote?

Mr. Mackenzie: As you know, there was a split vote on it.

Hon. Mr. Parrott: I've forgotten what the split was.

Mr. Mackenzie: My guess is it was about two thirds to one third, or not quite.

Hon. Mr. Parrott: And were these arguments put to council?

Mr. Mackenzie: Yes. I don't think they were listening. I think the decision had been made, just as I thought some of the hearings were orchestrated even with the politicians when we were invited to see it. I think the decision had been made.

I say that for another reason: It has gone through the council in Hamilton three times, in three rather bitter fights, and it has been defeated three times. I think the voice of the people was heard pretty strongly on it, but a rather major buildup to it this time was prepared with the fancy charts, the berm developments—all of the rest of it.

The comments angered people. Among my letters here there are some letters that deal directly with the kind of feeling they got at the hearing that, no matter what they answered in the questionnaires, it really didn't give them any chance to say, "No, not at all." Only these alternatives, all of which went down the valley, were there.

The feeling was that the decision was made before they ever were invited to the hearings. I think some people had got together on that council and decided that was going to be the decision in advance.

Hon. Mr. Parrott: How do we address the much larger issue, that you have to persuade the vast majority of people? I think when the vast majority of people are persuaded, how do the elected officials here—we all count votes the same way—persuade those people in local and municipal governments to share our concern on environmental issues?

Mr. Mackenzie: I guess because that's such a major issue and because there were so many millions of dollars of provincial money involved in it as well, one of the ways might be for the minister to order the environmental assessment hearing. We have a full hearing; we see what the results of that are.

That may then shoot down some of the arguments which the people coming to me or I myself am making, or it may shoot down effectively the arguments of the developers. I don't know, but at least it's a start and at least whether our arguments are good or not good is much more clearly defined.

Hon. Mr. Parrott: But as I understand it you want to zero in on one specific site in a hearing.

Mr. Mackenzie: Isn't it a rather major one?

Hon. Mr. Parrott: Let's assume that battle could be won. We're still losing the war.

Mr. Mackenzie: What war are we losing?

Hon. Mr. Parrott: The war of trying to involve all the local municipalities in understanding the importance and desirability of full environmental assessment on all kinds of things. It's fun to be fighting a war when the only guy who's getting shot at is me. I can appreciate that's a great game out there.

Mr. Mackenzie: I guess that's one of the responsibilities you take on when you're government and when you're the minister. Let me tell you, though, the war you are talking about will be lost much quicker if the people themselves, who now already have a fear that nobody is standing up for them, don't get the kind of a hearing they are asking for.

Hon. Mr. Parrott: That's fine. I suppose you could say this isn't even the place, but surely you see the very broad issue that's also in perspective here—the lack of understanding of the importance of environmental assessment and/or considerations during major projects of municipalities. You and I both know that's not something that has been fought and won out there.

Mr. Mackenzie: I understand that.

Hon. Mr. Parrott: Notwithstanding the fact that they turn to us day in and day out for help and expertise, no one in the municipal world seems to be pushing—that is, in a formal way and on a consensus basis—for this kind of assistance and help. They turn their backs on it.

You're asking me to single out one specific and do something, but you could make the same arguments for all kinds of places. What worries me is that we're so far in front of the thought process of our fellow elected officers that we're in a very lonely—

Mr. Mackenzie: Yes and no, Mr. Minister. You'd better stop and think before you finish that.

I think I would be inclined to agree with you that we're a little ahead of them in terms of a beginning grasp. As I think you are, I am extremely upset about acid rain in this bloody country. I think it was a tragic mistake that the cabinet decided not to hold an environmental hearing on Darlington, for example.

When you say we're ahead in worrying about the public reaction and in thinking about what has to be done, yes. But let me tell you where we may be a little behind, too.

There's a public perception that this at least is the public's method of input, or one of the major ones, and we don't seem to be winning too many of those battles. We've had some wins, but not in some cases that are perceived to be important to thousands of people in Red Hill, thousands in the other points you've mentioned—and let me deal with another one, because this is where I think some responsibility does lie on your shoulders, Mr. Minister. That is the PCB burning and the fight you're having in Mississauga.

My guess—and I haven't been brought up to date on it because I'm now off the committee—is that probably the expertise is there to burn them. That's obviously one of the major problems you have in the province of Ontario. If the population density and the political pressure—and we have to be aware of that—are too great to allow that, although probably it would be safe to burn PCBs in

Mississauga, if that is the case then it also seems to me—and here is where you've got to pick the ball up and run with it, as I see it—there is a necessity for a burning facility, whether it was some of the new methods they're starting to talk about like microwaves or whether just the very high-temperature cement kiln burning is the answer. You then have a responsibility to pick an area 15 or 20 miles out of the city where you're not going to bother as many people politically—and I'm being as blunt and crass as I can with the thing—and go ahead with the development of that facility in one hell of a hurry.

We're staggering around not dealing with it, not because you're not concerned and not because you don't think the technology is there, as I do now. But the time has come on an issue as important as that for some action. Either you're going to take a hard decision in terms of Mississauga, or if you're not—and it may be valid not to—then there's got to be an alternative place, but I think you're going to have to take the lead in it. I don't think you'll see private industry do it. I don't think there's enough money in it.

Hon. Mr. Parrott: We have. In that illustration, we certainly have, and we're making it very clear that—

Mr. Mackenzie: We're trying to store. We're looking at deals. I think the time has come that you could actually have been in the process of building such a place.

Hon. Mr. Parrott: No. You would be the first to deny that we should build and burn without having first proven the case. All we're trying to do right now—

Mr. Mackenzie: I was assuming that had now probably been proven. Maybe I'm a little bit behind on this, Mr. Minister.

Hon. Mr. Parrott: The test burn is to prove or disprove the case.

Yesterday in the House we talked about the safety and human health aspect of it. It doesn't get terribly well reported that the best medical evidence is that there is no health hazard, even after tests—even after tests. That doesn't always get out there too well.

Mr. Mackenzie: This is not the issue I wanted to get into primarily at the moment, but have you tried a commitment to the people of Mississauga: "Let us do the test burn to prove it one way or another and we'll guarantee that it won't be burnt permanently at this particular site"? I don't know, that may be an expensive proposition, but you're going to have to look for some method, aren't you?

Hon. Mr. Parrott: You make me feel good and bad, both. Glad and sad.

Have we tried? My God, have we tried. But that's the bad news—that you're not aware of that. The good news is I thought everyone who read anything in the paper the last two weeks was well aware of the controversy. In fact if Mr. Everett will open the next page you'll see a burning headline there about how hard we've tried.

We're going to make a tough decision on that. We are. But you know, the guarantee was to make sure that it was safe. That's the kind of absolute roadblock approach I get faced with—

Mr. Mackenzie: The flak you will take over finally doing something like that, while it may be immediately severe, is probably less than the credit you would get in the long run if the decisions that have to be made are made. What the people in the east end of Hamilton are asking for in tremendous numbers is that they get that hearing, so they know they are going to be able to meet the arguments they feel so strongly about. If the results out of that are not as I think they will be, then obviously we're not going to be the winners on that particular issue. But I think justice will have been done on the issue.

Hon. Mr. Parrott: You know, I think there's great problems in singling out any particular project. That is extremely difficult to do—illogical to do.

[11:30]

Mr. Mackenzie: As I see it, at today's prices, \$80 million of provincial money will end up in that freeway, if we go ahead with it, Mr. Minister. We've got a very valuable five-and-a-half mile greenbelt valley. We've got conservation people at least who are telling us very clearly that it shouldn't go ahead. We've got thousands of people who don't feel they're getting a hearing in terms of the current municipal structure in council in Hamilton. Now, do they get a hearing or don't they?

Hon. Mr. Parrott: I'll make a suggestion to you. As you know, I have great hesitation to single out a project; I think you would understand and agree that that is not the way to do anything. It's ad hockery at its worst. What I am prepared to do, notwithstanding that statement—which I think has a lot of validity—is visit that area absolutely unknown to anyone, when there isn't a single soul else around. I'll look at it by myself, and having done that I'll ask guidance of cabinet. The decision to this date is mine and mine alone.

I'll look at it personally. I don't want anybody around.

Mr. Mackenzie: I would ask that you at least have some knowledgeable people who may not be developers with you, Mr. Minister—

Hon. Mr. Parrott: Listen, I think I understand the value of wetlands, as you heard yesterday. I understand the value of our natural environment, I'm not going to bore you with the amount of details that I could put on the record to prove the case, but I don't think I have to be led by the hand. I do it fairly frequently—take walks as you do—without anyone around. That I'm prepared to do and I don't think I need any expertise to guide me in that assessment. But I'll see it and I'll walk and, as I've done on many items, I think some of your members know—

Mr. Mackenzie: Take a look at pictures one, two, three, four, and five. I don't happen to think they're the best ones, either, Mr. Minister.

Hon. Mr. Parrott: I'll take a look at it, take it to cabinet, and it will be a cabinet decision that will be given to you. It hasn't been to cabinet. It's been my decision so far; an ad hoc decision. More than that I'm not prepared to say this morning.

Let me tell you an anecdote that describes my feelings. When my son and daughter were four and five years of age my son was the older and quite a bit larger. One night when I was at home looking after them, they were upstairs and I could overhear their conversation. There was a noise downstairs and I was in our bedroom reading. And all of a sudden, with this noise, my son and daughter decided they should investigate.

I could hear my son's conversation very well, but I wasn't hearing anything from my daughter. And he'd say, "Come on, Nancy, don't be worried. Don't be scared. Nothing to worry about." He was giving her quite a pep talk, not to worry about this noise they were going downstairs to investigate. It didn't take very long, but after about two minutes all of this coaxing on the part of my son not to be worried, my daughter's voice came very clear. She said to my son, "Quit pushing." You know the relative position of the son and daughter.

Well, sometimes I feel very much like my daughter. They're all telling me what support there is out there, nothing to worry about. Then I look around and see there's a hell of a long distance between me and those who should perhaps be with me. It's a cross that the Minister of the Environment

bears. I just wish sometimes that the people who are pushing were pushing out in front, not from so far behind.

Mr. Mackenzie: Mr. Minister, I think you would find an awful lot of support there in terms of people and it is easier when you happen to believe it yourself. I've become not just a supporter of the people on the issue because they seem to be so strong on it, but I've become a personal believer in the issue. Let me tell you, there are a lot of concerned people and they don't at the moment feel that they've got any particular protection. That's why I'm asking you to take a look at it and to see.

Hon. Mr. Parrott: I will take a look at it.

Ms. Bryden: Mr. Chairman, I think previous exchange has indicated and confirmed that in the Environmental Assessment Act we have one of the most unused pieces of legislation on the statute books of this province. When it was passed in 1975 there were great statements that Ontario was now bringing environmental assessment in as part of our program and part of our method of protecting the environment. This was very advanced legislation.

It's practically a dead letter, I submit, Mr. Minister. At the moment I don't think there has been a single public hearing under the Environmental Assessment Act. All of the public hearings on water and sewage are under the Environmental Protection Act or under the Water Resources Act. The special hearings there have been on Elliot Lake and the Mississauga burnings are under either orders in council or the Public Inquiries Act. We simply aren't using the Environmental Assessment Act. So we might as well repeal it. It's a dead letter.

Hon. Mr. Parrott: That's not fair, Marion.

Ms. Bryden: How many hearings have there been under the Environmental Assessment Act?

Hon. Mr. Parrott: There have not been many hearings but you knew that it was going to take a long time. And it goes right back to my comment. Everybody tells me, "By gosh, it's the greatest thing since sliced bread." But nobody, nobody wants to volunteer that it's their project.

I'm a politician like yourself. I try to count the public mood. If the public mood was so much in support of this fine act which you and I agree on, then why is it there aren't a few more people knocking on my door? Even one would seem like a great accomplishment; one that says, "We won under the act."

That's the kind of protection we think our people deserve and it doesn't happen. So, it has to lead me—I won't recount again—that this is too far out in front of the people. But that isn't a good political position. Don't misread what I'm talking about—the political party win. I'm asking, "Is it wise?" when the people don't understand, don't appreciate.

You would never have a chance of forming government if all of your policies had no popular support. You and I should be asking ourselves, "How come we have not had one volunteer?" That doesn't deter me one moment in my determination on the act. I believe in it. But surely it must say to everybody on this committee, "How come we as government, we as opposition, we as the Legislature, have not sold that act well enough that someone is coming forward and saying, 'I understand; I believe; I want it?'" That's where I think that we, you and I together, would have done this job. Because I know you are as dedicated to the environment as I am; you've been critic longer than I've been minister. But the truth of the matter is that between us, we haven't sold it.

Ms. Bryden: The people are knocking on your door. Maybe proponents of projects are not knocking on your door because they don't want alternatives considered. That's the difference between the Environmental Assessment Act and the other acts. The Environmental Assessment Act allows the consideration of alternatives and different sites, or different routes—even in the energy field, with the possibility of conservation instead of going ahead with a Hydro project.

But the people are asking for the opportunity to put forward those alternatives. The proponents and sometimes local governments also feel that they have an obligation to provide transportation or energy and they are reluctant to have a lot of alternatives put forward. But I think if the people are asking that those alternatives be considered, the local politicians should listen.

Hon. Mr. Parrott: But those proponents may know better than we do, because they are a lot closer to people. The local politicians are not doing it. That's the interesting thing. We hear time and time again about how the people want it. But that group of people we talk about—and it would seem as though they are in large numbers—haven't been able to convey that message to their local elected people. Agreed?

Ms. Bryden: In the case of the Red Hill Creek, perhaps, but in the case of Mississauga I think they have conveyed to the local people

that they would like an environmental assessment rather than the present public inquiry.

Hon. Mr. Parrott: But they have not, you know. I think the difference is pretty small between what's going on there under an inquiry and what could go on under the Environmental Assessment Act.

The differences are so small it's hard to measure, but let me tell you, if we misunderstand that one, we have really kidded ourselves. There is only one answer that the elected people want there. Not the inquiry under the act; it's no burning, period.

It doesn't matter whether you prove the case or not. It's not to be done.

Ms. Bryden: Mr. Minister, I am sure you understand part of the reason why the Mississauga people are so opposed to burning is that burnings were carried on without their knowledge on an experimental basis two or three years ago; they were not consulted. I think we have to recognize that there are a lot of tough environmental decisions that have to be made in this day and age as to where you are going to dispose of hazardous wastes and how and you've got to involve the people or those tough decisions will not be possible.

Hon. Mr. Parrott: We have.

Ms. Bryden: There will always be opposition.

Hon. Mr. Parrott: We have involved them and we've got the involvement of the citizens' group right now that thinks what we are doing is right. They supported our position, but the councils didn't.

And they were at the meeting. They were all at the meeting. They won't sit at the liaison committee as a formal position. The people support us and how we have done it and what we are doing. By and large there is not that great disagreement with us. But notwithstanding that and having all those presentations of council it comes through that a bylaw says, "Can't be done."

Ms. Bryden: But that is partly because the citizens are concerned perhaps not so much about the safety of the burning but about the safety of the handling. We don't have very good transportation laws about trucking and that sort of thing. We haven't got the hazardous substances laws in effect yet for transportation and it is the handling and bringing in of PCBs from elsewhere that is causing a great deal of the concern. I don't think that concern has been answered and an environmental assessment could look into these.

It could also look into alternative cement kilns in less populated areas or the possibility of building one's own facility, one's own high-

temperature incineration facility which may be the answer when there is the problem of whether you should be trucking in and out of highly populated areas.

But we haven't had the opportunity to look at those alternatives in this particular hearing because it's not under the Environmental Assessment Act.

Hon. Mr. Parrott: You haven't been denied—the board has not denied anything that any proponent has wanted to put forward.

You say you haven't had the opportunity. You haven't been denied. If you come back and say, "Hey, we've been ruled out on this, this and this," then maybe the case would have some validity. But there has been absolutely nothing denied at that hearing.

Ms. Bryden: Has there been any discussion of alternatives?

Hon. Mr. Parrott: I can't tell you all of what has gone on at that hearing.

Ms. Bryden: You yourself said you looked for a lot of alternatives, possibly other cement kilns. Has that been reported to that meeting?

Hon. Mr. Parrott: At the moment we are not talking about anything more than a test burn that is being roadblocked. We haven't in our own minds decided that's the right place to burn. We've decided that that's the right place to test burn and on the basis of a test, be it a good result or bad result, we should make a decision, but when people won't even give you an opportunity on a very short-term span to test burn you have to ask yourself what value is there in a hearing of infinite length, because in their minds the decision is already made.

I could understand that you would want a hearing or that the people would want a hearing. That I understand very well. But when the people want a hearing without the logical evidence there because they know there is only one answer that is acceptable, then I have to wonder whether they want a hearing or they want to use that hearing process to deny what is essential in our society.

Now there is a big difference, a big difference.

Ms. Bryden: I submit it isn't just a case of shall we or shall we not have a test burn.

Hon. Mr. Parrott: Yes it is, at the moment. That's all it's been centring around.

Ms. Bryden: Surely the citizens know that the next question will be, if the burning is okay will Mississauga be used as a place to burn it? That sort of ties in with a lot of other things besides thinking of the burning.

[11:45]

Hon. Mr. Parrott: But that becomes part of the hearing and nobody has ever made that decision; nobody's inferred anything. They simply said, "Let us test and prove it and on that evidence try to make some decisions."

Ms. Bryden: I still feel the Environmental Assessment Act should be used a great deal more. Whether it should have been used in this case or not is arguable between us.

I would like to ask the minister if he has looked at the submission of Hydro to the Porter commission about the application of environmental assessment to its projects.

In its April 1979 brief to the Porter commission, Hydro indicated that while it favours environmental assessment it wants to do it on its own terms; it was really asking for an amendment to the Environmental Assessment Act which would rule out the consideration of energy policy as given. In other words it would rule out the consideration of alternatives such as using different forms of energy, locating on different sites, or even considering conservation and a reduction in energy needs.

They specifically asked for this in their brief on page five, chapter two of their 1979 submission. They said, "The environmental assessment process should be relieved of the obligation to repeatedly review overall energy policy and strategies within the review of each particular project. Appropriate changes to the Environmental Assessment Act would be required in order to assure consistency with energy policy."

Could the minister comment on Hydro's apparent view that if it is going to be subjected to environmental assessment in the future, alternative energy strategy should not be considered part of the assessment?

Hon. Mr. Parrott: You are saying you believe the energy policy should not be a part of the hearing process?

Ms. Bryden: I'm saying that's what Hydro said in its submissions to the Porter commission.

Hon. Mr. Parrott: That we agree with, but we disagree that there shouldn't be environmental assessments. I don't think the board is the place to establish policy. The board and the hearing are the places to determine the appropriateness of the project.

Ms. Bryden: Does this sort of position not rule out the consideration of any alternatives when a Hydro project such as Darlington is brought forward?

Hon. Mr. Parrott: You mean alternative locations or alternative decisions on how to generate electricity?

Ms. Bryden: Not how to generate electricity; how to meet the energy needs of the province. That's a greatly different question.

Hon. Mr. Parrott: I don't think that's a subject for the Environmental Assessment Board. I think the deputy wants to say something.

Mr. Scott: I think the whole problem here is what Hydro is asking for. In absolute terms I don't see how we could comply with it. I mean the act is broad enough that it clearly would cover policy considerations. So we can't easily or reasonably comply, the way the act now reads, with any request from Hydro as specific as their request is.

However, I think the concern of Hydro was that in an extreme reading of the act it could be they have some fear that energy policy could be entirely decided by the Environmental Assessment Board. It was not in our opinion, the intention of the act that energy policy, or anybody else's general government policy, should be determined exactly by the Environmental Assessment Act.

But quite clearly, when you are looking at the breadth of any project, any decision on environmental assessment is going to impact on the policy application, and it can have a negative impact on the general intention of policy, depending on how that body tries to direct it in relation to its specific project.

So basically we understand some of the concerns of Hydro and of the Ministry of Energy with regard to the breadth and the potential of the act to directly make energy policy instead of dealing strictly with environmental considerations. But the two overlap so we couldn't accept that presentation by Hydro; there is no neat way you can separate the two. Obviously any reasonable environmental assessment is going to impact on direct policy matters. It has to as a matter of definition.

Ms. Bryden: I take it then you would not be favourably inclined to amend the Environmental Assessment Act as Hydro has suggested to completely eliminate the discussion of policies that might impinge on the provision of energy.

Mr. Scott: We also made a submission to the royal commission with regard to our view as to environmental assessment, and I would commend you to look at it. But I think the basic issue, which is a very hard one to resolve in the wording of any specific act, is where the basic policy direction comes from. It is not the intention of the Environmental Assessment Act that somehow the Ministry of the Environment, through its involvement

in the Environmental Assessment Act—or indeed the Environmental Assessment Board—should be responsible for determining everybody's policy by using the potentially broad powers of the act.

On the other hand it is just literally impossible to make a reasonable environmental assessment without having some impact, either positive or negative, in relation to the policies that are represented by the matter proposed before the board.

Ms. Bryden: I have just one other point I wanted to raise, Mr. Minister. The Canadian Environmental Law Association apparently wrote to you on May 30 asking you to amend the Environmental Protection Act to permit persons affected by pollution to have a right to participate in appeals under the act. They talked about downstream neighbours who might be affected by air or water pollution from a control order, say, on something like Dryden. They should have the right to appeal because, as we know, the Reed paper company is now appealing a control order on them. But the people downstream who might be affected have no right to participate in the appeal process.

In a letter to the editor of the Globe on October 6, the general counsel of the association, John Swaigen, says he has never received a reply to that letter requesting the amendment to the Environmental Protection Act on this proposal. Have you some views on whether the act might be extended to the victims of pollution in the appeal process?

Hon. Mr. Parrott: I think we essentially dealt with that yesterday in the House. I don't want to make a policy statement now on that. I said we would consider amendments to the appeal procedures as part of amendments we think are coming forward on the Environmental Protection Act. I don't know whether I can add a single thing to what I said yesterday.

Ms. Bryden: Yes; I am glad to have a reconfirmation of what the minister said. I hope it is a commitment to opening up the act as soon as possible in 1980 and to consider putting in this sort of proposal.

I think we were talking about the Pesticides Act yesterday since it would apply under both.

Hon. Mr. Parrott: Yes, I know, but it is all one and the same thing. That was the argument yesterday. I think that is why Mr. Gaunt agreed with my position—on the basis that we would look at the appeal process.

Ms. Bryden: We are looking for that legislation in 1980, Mr. Minister. Thank you.

Mr. G. I. Miller: Mr. Chairman, there are a couple of questions I was concerned about. You have provided funding for assessment for companies. I think you are well aware, as you were down to our area over the weekend—

Hon. Mr. Parrott: That I was.

Mr. G. I. Miller: I think you would find it a very interesting area to be in. It certainly is changing from agriculture to industry. But hopefully we can maintain the agricultural background along with changing to industry and the new townsites.

Can you give the reasoning for providing funding only to the industrial side rather than providing funding for the opposition so that the cards are not stacked against individual groups and organizations?

Hon. Mr. Parrott: Are we talking about our liquid waste proposal?

Mr. G. I. Miller: Yes, I might just go a little further and read the recommendation from the Haldimand Federation of Agriculture. "Whereas the Ontario Ministry of the Environment is proposing to prohibit land-filling of untreated liquid wastes in Ontario by January 1, 1980"—I think that has been extended now for a few months.

Hon. Mr. Parrott: Yes.

Mr. G. I. Miller: —"And whereas the Ministry of the Environment is inviting alternative proposals for disposal companies;

"And whereas the Ministry of the Environment has actively participated in environmental hearings and is now offering financial assistance to interested companies;

"Therefore be it resolved that OFA demand from the Ontario government that personnel from the Department of Agriculture and Food be instructed to participate in environmental hearings to protect agricultural interests where proposals affect rural Ontario.

"And, further, that financial assistance be made available to county federations of agriculture in their efforts to ensure a balanced presentation to Environmental Assessment Board hearings."

Hon. Mr. Parrott: I don't know whether the deputy wants to deal with this now or later, but this isn't really the right—

Mr. Mancini: Now is a good time.

Hon. Mr. Parrott: Okay, I don't care. I think you are comparing apples and oranges to a very significant degree. Let's talk about the liquid waste program and deal with that only.

As you know, for a long time the provision was to get the private sector to do the job. After a lot of hearings, a lot of consideration, a commitment was made by the government when I was minister that we would have to change our approach. We would now become the proponents up to the stage when the facility was on stream. So we are now sharers in the responsibility in making the proposals.

I think you know we asked those various firms to come forward; we have had those proposals and we have guaranteed the firms \$100,000. If they go to a hearing and are turned down, we will pay the \$100,000. If they are successful that cost will be part of doing business and we won't be paying any of the cost. That will have to be recovered as part of the cost of treating liquid waste.

We knew at the time we made that decision it was a significant departure, and a departure that I think was agreed to by all parties. That applies in a specific case on the treatment of and establishing facilities for liquid waste. But that is quite different from the proposals for any other source like land-filling or whatever. We have never provided those dollars because we haven't been proponents. We have been the experts within the best of our limitations at hearings, but we have not been for or against other proposals.

A whole new term of reference applies to liquid industrial waste hearings compared with any other hearings we have ever had, so you cannot apply the same rules. But we announced that change in policy.

I think you are comparing apples and oranges in that sense. We are not about to supply money to a firm that wants to establish a private site for solid wastes—not at all—or for any other proposal. They are on their own. So I don't think you should infer anything at all from our approach in liquid waste to any other aspect of the act.

Mr. G. I. Miller: But I know there have also been ads placed and it has been a concern that it seems to be stacking one side against the other.

[12:00]

Hon. Mr. Parrott: On this? No. On this one we are the proponent, in concert with two firms. We are only going to have two.

The deputy makes the point that when this goes to review, the Ministry of Agriculture and Food will have a full opportunity to review it and comment.

Mr. G. I. Miller: Would you consider making sure that there are personnel there from the Ministry of Agriculture and Food, as requested by this resolution?

Hon. Mr. Parrott: That automatically happens. It cannot be otherwise in the review process that any proposal must go through. I don't have to give you that commitment. It has been made many times, if you will, by practice. It is done. Yes, they will be there, if you want to be very precise.

Mr. Riddell: First of all, I want to thank the minister and his officials for finally moving ahead with the water project in the village of Dashwood. It has been rather a long process, but I don't believe the delay was all in the ministry offices. There was an objection to frontage charges by one of the residents of Dashwood which held it up, but I believe tendering is going to start within the next week or two.

I would also like to know what kind of a beginning is being made in the villages of Crediton, Centralia and Ailsa Craig, all of which are in dire need of water from a source other than those they have now—that is, wells that go dry in the summertime and wells that are polluted due to seepage from septic tanks. I know there has been a request for the towns of Crediton and Centralia to be able to have lines come up from the water-line from Grand Bend that runs through to London. Ailsa Craig has been asking for a water project as well because of its needs.

Hon. Mr. Parrott: Let me find out if we have got the staff here right now to answer that. It really should be under vote 2103. I have the regional director here. He is all I see. Whether Mr. McTavish is ready to answer with that information, I don't know. If not, we will have to ask you to wait until we have our project co-ordinators here.

Mr. McTavish: It would probably be better if you would.

Hon. Mr. Parrott: We haven't reached that point in time. That is a whole vote away.

Mr. Riddell: That is the next vote?

Hon. Mr. Parrott: Yes. It will be under municipal and private abatement. I know that should be today, but the truth of the matter is that we are not even close to that vote yet.

Mr. Riddell: Maybe my next request will come on the same vote too.

I wrote you a letter a short while ago asking if you would send to me the minutes of the public meetings which were held in connection with the sewage disposal program for the town of Grand Bend. As you well know, there were some objections. Apparently there were some commitments made at those meetings which the ministry

did not live up to when they actually constructed the lagoon. If I recall, one of them was that there was supposed to be an eight-inch tile put along the north side of the road. That tile wasn't put in.

Another commitment was that the ministry would construct its own roads. Rather than do that, they used the road that belonged to the farmer on whose land the lagoon was being constructed. Another complaint was that the ministry undertook to demolish buildings without getting permits to do so, all of which was laid out, according to my understanding, in the minutes of the meeting which was held. The ministry, apparently, ignored some of the commitments that were made. I have asked for a copy of those minutes so I can go through them to see if the ministry has indeed reneged on some of the commitments it made.

I believe there was one OMB hearing on the thing too. Is there any possibility of getting the minutes of that meeting as well so we can fully understand the commitments the ministry did make and try to ascertain the reasons why it didn't live up to those commitments?

Hon. Mr. Parrott: Yes, I am ready. I'm sorry we don't have the personnel here. Technically, if we were on time, they should have been and I apologize for that. I will just have to take that as notice. We will deal with it either Thursday night or we will get to you privately in the next day.

That information, I am sure, would be ready for the estimates. It's just that the staff isn't here, and we had better wait until they are.

Ms. Bryden: Mr. Chairman, I understood or assumed that waste management, in vote 2104, would include the question of disposition of liquid industrial waste as well as solid waste since the new division of the ministry now covers both. Is that correct? We will have an opportunity to discuss liquid industrial waste under that vote?

Hon. Mr. Parrott: Yes.

Ms. Bryden: Thank you.

Mr. J. A. Taylor: Mr. Minister, I'm very impressed. I don't often say that in a flattering way but I'm very impressed with the impact of your program in terms of clean-up of municipal waste. I say that from a number of years of experience in regard to the Trent, Moira, Bay of Quinte area, where you can visibly see the effects of your program. We talk so much about paper and dollars that we don't seem to often get the opportunity to translate that into physical terms on the ground. It strikes me that it wasn't that

many years ago that the municipalities were charged with the full responsibility, financially and otherwise, of administering their local sewer and water systems.

It would be interesting to see in retrospect—and I suppose from a historical point of view—the dollars that the provincial government has put into this area of municipal waste, especially sewer systems which were big polluters. The reason I mention that is because people become accustomed to accepting provincial assistance, financial and otherwise. They take it for granted and the next step is to demand more. I have always felt thankful, to be frank, for the financial assistance that has been given to our communities, certainly in my riding, which has made such an impact on the improvement of the environment.

That's why I think there's a lot of credit goes to you, Mr. Minister, and your people in the programs that have evolved.

Ms. Bryden: I think this is vote 2103, municipal sewage.

Mr. J. A. Taylor: It may be, Ms. Bryden, but I listen with tolerance and understanding and hope when you speak, and I don't think that you should be—

Ms. Bryden: We are away behind our timetable. He can say it on the next vote where it belongs.

Mr. Eaton: Take all the time you need. It only takes five minutes.

Mr. J. A. Taylor: Anyway, Mr. Minister—

Ms. Bryden: It's the wrong vote.

Mr. Riddell: The ministry is worthy of some of these accolades.

Hon. Mr. Parrott: Thank you, Mr. Riddell.

Mr. J. A. Taylor: I was just wondering, Mr. Minister, if you had anything—do you have a story, some publication or something to circulate in that regard? I am looking at your future plans, I am not just looking in retrospect. But I have a number of municipalities, as my friend Jack Riddell has, that are looking with great expectation in terms of future assistance and environmental improvement. Again, I'm concerned about the dollars and the financial constraints and the possible impact of that on the planned programs.

Hon. Mr. Parrott: I think you're right on and until Mr. Riddell's first comment that's the first question we have had on the vast majority of our funds. It's rather ironic that in estimates we spend all of our time on the small amount of our expenditures. That's not unusual and it's not unexpected, but there is a terrific story to tell about how many dollars have been spent.

Mr. J. A. Taylor: If I'm out of order, Mr. Chairman, please tell me.

Mr. Chairman: You're not out of order. Government members have had five minutes and you're the one who has had the say.

Ms. Bryden, may I remind you, in fairness, that your spokesmen have taken an hour and 35 minutes of the two hours we have been here this morning. After all, I'm here as chairman. I like to be fair and I think everybody has something to contribute and when a member takes the time to be here to ask something that is of importance to him and his constituency, he has every right to be heard. You drew up a program and I try to follow it, but it's impossible to try to tell anybody to follow it, for the simple reason I think they're entitled, in fairness, in a democracy, to bring up subjects that are important to them.

Ms. Bryden: I agree, Mr. Chairman, but under the right vote. I was just saying it belonged to vote 2103.

Mr. Chairman: That may be true, but it's just a few words he wanted to express and then to be cut off, after all—

Mr. J. A. Taylor: I don't think she meant anything by it, Mr. Chairman.

Ms. Bryden: Thank you, Mr. Taylor.

Hon. Mr. Parrott: Let me be brief in my response because you raised what, of course, is really the heart of the ministry. Well over a billion dollars was spent in assistance to municipal and local authorities on water and sewage treatment facilities since we took over from the Ontario Water Resources Commission in that project. That's not that long ago. In this year we are talking about \$181 million out of the \$280 million we're spending on that very thing. We have moved a long way.

The interesting thing I wanted to comment on—Mr. Riddell raised the point—is what you've seen in this province. There is practically no large municipality now needing new service. We're starting to get into the credit—well, the very small municipalities are getting the benefits we once thought were only available to the very large.

To underestimate what you say, I think would be very, very wrong. It's just fantastic. I really do believe you were sincere when you said there's credit due here now we're able to offer these facilities to the small communities and not just to the large. In the small communities it's been almost entirely government grants. We don't want to push too far where the money comes from, but it's not through the municipal tax levy to a large degree.

Mr. J. A. Taylor: I remember only too well the days when a municipality would have to issue debentures to finance these projects, or employ different techniques, whether over the whole municipality or part of it, on local improvements and so on and do their best to bankroll the necessary works. It strikes me there's been a certain lessening of financial burden on the municipalities through these government programs. I think it's very commendable. I'm not here to flatter you or the government, but I put it in perspective by being reminiscent of the problems that confronted many municipalities in years gone by.

You mentioned coming to the small communities; of course, those are the communities in which I am interested in my riding, communities of a thousand people where now we talk about works in excess of \$1 million which would just be impossible for a community like that alone.

I raise this because it is certainly of interest to me and I think it would be of interest to the people in my riding if they could just see the government's financial role in this.

[12:15]

Hon. Mr. Parrott: I appreciate that. I don't know how much more detail you would like out your comments are absolutely correct. I think it would be interesting and we will supply a more detailed report of what has been done, say, in the last five years or in a short period of time.

Mr. J. A. Taylor: I would go back to the range of burden from local responsibility, here local autonomy, self-rule and self-determination carried with it the local responsibility to finance all of these projects. I guess you can't have it both ways.

I would go back from that time to the current time just to see what has been accomplished, because I think that people have a right to know where their money is being spent. While we always look for improvement, and I think we always should, nevertheless we could pause for a moment and take account of what we have accomplished.

Ms. Bryden: There is a change in the policy that the minister is now putting more back at the municipalities.

Mr. J. A. Taylor: We are into another decade here which transcends other ministries. In saying "back on" you are talking about sewers and water I think that's legitimate, but we are getting into other areas.

Ms. Bryden: No. In sewer and water matters the ministry is withdrawing from taking the initiative and providing the facilities, except in very small communities.

Hon. Mr. Parrott: We are still supplying very large amounts of dollars. We are hoping that the initiative will be that wherever possible they will run these facilities. Particularly if it is a community under the size of 7,500, there are still tremendous grants there. It is 75 per cent plus the federal grant. When you think about the amount that governments at both senior levels supply, that's still very high.

We feel that the vast majority of the larger municipalities are now in a position where they have been given a lot of assistance over the years. We should turn our attention to clean up all the small municipalities in Ontario. That help still stays at the 75 per cent level of commitment.

We don't mind if they run them. We are not insistent on that. If the municipality wants our expertise we will supply it. However, I don't think there's been a diminishing, in particular, in the smaller municipalities where the need is.

Mr. J. A. Taylor: As a matter of fact, some years ago I pressed for the municipalities to have the right to own those plants. I used to put it to the ministers and say to them, "What do you want to own a sewage disposal plant for?" Some municipalities would rather it be a part of their operation and run it.

I think the municipalities at that level often can run the plants with the local personnel maybe more economically because in the countryside a quarter is still pretty big to some people. It is maybe not as big as a wagon wheel but it's still money. We pinch pennies—and I think there is nothing wrong with that. By controlling the operation, the municipality feels more involved. It feels it is one of its public services, and that's good from a municipal point of view.

About the money of course, we found we have been fortunate in still obtaining the financial assistance, notwithstanding the fact it is a municipal utility.

Item 4 agreed to.

Items 5 to 7, inclusive, agreed to.

Vote 2102 agreed to.

On vote 2103, environmental control program:

On item 2, industrial abatement:

Mr. Mancini: Thank you very much, Mr. Chairman. I have been wanting to get to item 2 of vote 2103 concerning industrial abatement and this continuing problem we have in my riding. I raised this matter in the estimates of April 12, 1978, and I have come to the conclusion since that time, Mr. Chairman, I wasn't strong enough in my

questioning, because the answers I have recently reread when I had the opportunity a couple of days ago really did not provide me with as clear a picture of the problem as I thought it did at the time. I want you to know I am not very happy with the way things have occurred since then. I speak directly to the problem of hydrogen-fluoride emission from the Allied Chemical plant in Amherstburg.

It was noted at that time there had been a control order on the plant since 1974. Back in 1975 the control order was broken 34 times; in 1976, 16 times; and in 1977, six times. I was basically told then the plant was striving forward and meeting its control order better every year. Basically, what I was told back on April 12, 1978 was the problem was being eliminated and damage to the vegetation in the area due to the hydrogen-fluoride emission was well underway to being controlled and we wouldn't have the problems much longer.

Mr. Chairman, I can tell the minister the problem is worse than ever. We had a very substantial fallout of hydrogen-fluoride last year, which caused thousands of dollars of vegetation damage. I know of one claim in which I was involved in helping my constituent make his claim. We had officials from the Ministry of Agriculture and Food assist us in helping this individual make out a claim and that one claim in itself will be in excess of \$6,000.

We are just talking about vegetation damage and that's one concern. I know the municipality of Anderton, in which this plant is situated near Amherstburg, is also concerned about any possible detrimental effects it might have to human beings. That area is very grey and as far as I am concerned, we haven't received much information on it, so I would like to deal with the problem in two separate ways.

First, why, when we were told back in 1978 things were coming under control, is this company allowed to continue to have substantial fallout of hydrogen-fluoride, which causes a lot of vegetation damage? Second, what effect this is going to have on individuals?

In my work on this problem and from speaking with some people in the ministry and other knowledgeable people I've come to the conclusion your monitoring system is not exact. I have come to the conclusion the weather conditions, wind conditions, and these types of things affect your monitoring control and what it says is the level of the emission. I would like to get into that area

possibly, as the last of the three inquiries. I see Mr. McTavish is here and I was wondering if he could possibly respond to some of my questions.

We also have to bear in mind the same company is proposing—I received a copy of their press release—a \$5 million expansion. Frankly, I think it would be irresponsible, Mr. Minister, for your ministry to allow that expansion to go ahead with the problems I brought up in 1978, which we have had previously and which your ministry has documented, and with the continuing problems we have today.

I will just stop there for now and let either yourself or Mr. McTavish go ahead.

Hon. Mr. Parrott: There happens to be a very extensive briefing note on that item. Since I am sure Mr. McTavish has an intimate knowledge of it, I think it would be wise if we let him speak now. Mr. McTavish, if you would begin with an update on the current situation.

Mr. McTavish: Our information is the emissions from the plant have been getting less each year, as you have indicated we have stated.

During this year, for instance, to date we have had something like 40 vegetation-damage complaints. Of the 14 we have been able to investigate to date—26 of them are still under investigation—only one was related to fluoride emissions. One of the others was related to a chloride injury which was a chloride emission from Allied and the remaining 12 were caused by other agents such as blister mite, apple scab fungus, leaf spot fungus, et cetera, not really related directly to fluoride.

I am not trying to diminish the situation, but I think there is an automatic response when there is vegetation damage to point the finger at the fluoride plant. This is why there has to be an investigation on each of these complaints. We have our specialists from Toronto who we involve in the vegetation analysis to determine what the problem has been.

Our records are indicating there has been a diminishing amount of fluoride emission. The principal source of the fluoride emissions now appears to us to be what we would call a fugitive short-term situation. That isn't a continuing problem, it's a storm situation, a wind situation on a pile of fluoride or something that is very short term.

I will continue a little longer on that aspect. We have monitoring equipment around the site. In addition, the company itself has certain monitoring equipment that

is in use and that information is provided to us.

It isn't possible to have a monitoring candle or instrument at every foot around the plant, so it's true, as you said in your statement, that we may not have a measuring instrument at every point of impingement that can occur because of the wind direction or something. But over a period of time it does give us a pretty good record from an instrument point of view. Because the wind can vary, this is one of the reasons we have looked at vegetation as being one of the best ways of measuring the fluoride situation. This is why we are collecting samples of the silver maple and some of the plants very sensitive to fluoride, and these are analysed.

Our control order is actually based on the amount of fluoride that would be collected in the vegetation. That control order, we feel, has been an effective means of being a deterrent for the company, giving us control so we can step in and stop the operation if there is something that is, and is going to continue to be, an emitter of fluoride.

[12:30]

On the health aspect we have met with the Ministry of Labour, some of the local people and Allied Chemical. The medical people have indicated that health concerns are at a point quite a bit distant from vegetation damage. Vegetation damage occurs at one level. It would take eight times that level to be of any significance from a health point of view. The health people tell us that there isn't that concern for health, in view of the evidence that we have to date.

Working with the local people and with the Ministry of Labour on the health aspect, I know that plans are being developed for contingency situations. Those are really at the formative stage, as I understand it now. Possibly Mr. Mancini has had some involvement with that. I am aware that this effort is going on now from a contingency point of view.

The company to date has been reasonably effective in controlling the emission from the plant equipment. The problems seem to be in the fugitive emissions that occur periodically from a breakdown or whatever.

I don't know whether I have answered you adequately or not.

Mr. Mancini: I think you have tried to give me an honest answer; I wouldn't say that you haven't, but I'm just awfully concerned. You say that these are fugitive emissions, and they're short term. The type of damage I have seen, which runs into the thousands of dollars, certainly has to be more of a

concern than just saying there are short-term emissions. I don't think it's right to subject the people to them. There's quite a built-up area near the plant.

Hon. Mr. Parrott: You say that it's worse. Are you talking about it being worse in the last year or worse over the last decade?

Mr. Mancini: I would say with respect to the damage caused recently by the emission that it takes quite a while to figure out that there has been damage. That leads me to another point. A person doesn't really know that there has been foliage damage until the springtime when he finds out that none of his fruit trees is blooming or that his grapevines aren't growing or that all his plants are dead. It takes quite a while. I think that's another problem we're going to have to address.

Getting back to your point, as to whether the matter is getting worse, I would say yes, the matter is not getting any better.

Hon. Mr. Parrott: In what period? The last year? That's what I'm trying to get at because our evidence would indicate that in the last six or seven years it has been tremendously reduced.

Mr. Mancini: I think the emissions have been at a density level which is causing tremendous damage. I've helped my constituents with these types of claims ever since I was elected in 1975, so I'm fairly familiar with the problem now. It has been a little over four years.

Hon. Mr. Parrott: Your assessment is that since 1975 it has been getting worse and the emissions are greater. Is that what you're saying?

Mr. Mancini: It's a more dense, heavier and more concentrated type of emission. In 1975 the control order was broken 36 times and only six times in 1977. But I think the density or the concentration of the emission which we had recently, which has caused all the damage we're talking about right now, is just as severe as any that we have had previously and, in my opinion, more so. I will just leave it at that.

I have to say honestly that I don't think we're attacking the problem strongly enough. I don't think it's fair to have a built-up area around a plant like that where the people every spring have either to replant all their trees or file for an application with the ministry, fill it out and then start to deal with the insurance company of this particular corporation and try to get a just claim back and forth. I don't think it's necessary for these people to have to do this every single year,

and that's what's been going on. Frankly, we're fed up with it.

I wasn't too strenuous in my questioning on April 12, 1978, because I thought the problem was being dealt with, but right now I tell you I'm very disappointed. I was given the wrong impression at that time, and I say that honestly. I don't think it was done purposely, but I just think we've had enough down there. I think the time has come where this company has to start meeting its control orders.

Mr. McTavish: All I can reiterate, Mr. Mancini, is that of the 14 of these complaints on which we have completed our investigation there has only been one that we have been able to attribute to hydrogen-fluoride damage this year. We have 26 others that are still under investigation, but to date we have had a decrease in the number of instances of vegetation damage attributed to hydrogen-fluoride.

Mr. Chairman: The committee will adjourn, but before we do there are seven people who have indicated they want to speak on this vote. According to this program, we will be sitting on Thursday to discuss acid rain. I do not want to disrupt anything, but will we follow the program because we are two hours behind on this past vote and continue on vote 2103 or go on to acid rain on Thursday?

Mr. Eaton: We want some discussion on 2103.

Mr. Gaunt: I think we need some fairly lengthy period for acid rain. As you know, it normally should have been dealt with earlier on, but because there was a request to delay it we are going to deal with it on Thursday night. I think this is a pretty big vote and would consume considerable time. I suppose if the members were allowed to do so, they could consume all of the two and a half

hours on Thursday night just on this one item within this vote. It's a big vote.

Mr. Chairman: You have allocated two and a half hours and you have used up 15 minutes. This is a problem when you're running behind with the vote before. You have lost two hours.

I just want to be fair with people. I know there is a lot of interest, judging from the number of people who want to speak, but I do not want them to be here Thursday night and then say we are debating acid rain.

Mr. Gaunt: From a very personal point of view, I would prefer that we deal with acid rain on Thursday night because I can't be here on Tuesday night. I know that may create a problem and I don't expect the committee to convenience me entirely because of my schedule difficulties. But I certainly have some comments on acid rain and I would appreciate it if it could be dealt with on Thursday night. Whether we want to set aside the whole two and a half hours or not is another question.

Ms. Bryden: I think it is desirable to have a definite time set aside for acid rain. It does cover both water resources and industrial abatement so it could come under this vote. I think if we start with acid rain on Thursday night—and, hopefully, we might have a report from the minister on the meetings of his officials in Washington—then we could carry on for whatever time we need on acid rain and then revert back to item 2, vote 2103.

We may have to borrow some time from vote 2104, but I would like to see us start on acid rain on Thursday night and see whether we need the whole evening for it or not. If we don't, we can go back to industrial abatement.

Mr. Chairman: Is that satisfactory to the committee? It is. Then we will discuss acid rain on Thursday at eight o'clock.

The committee adjourned at 12:38 p.m.

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From the Ministry of the Environment:
 Caplice, D. P., Director, Environmental Approvals Branch
 McTavish, D. A., Regional Director, Southwestern Region
 Scott, G. W., Deputy Minister



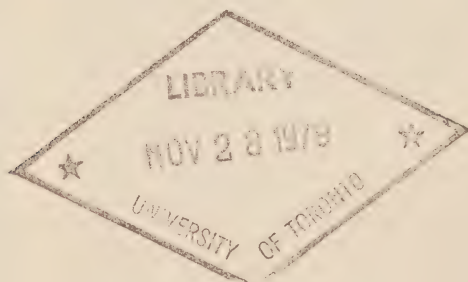
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of the Environment



Third Session, 31st Parliament

Thursday, October 25, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, OCTOBER 25, 1979

The committee met at 8 p.m. in committee room No. 2.

ESTIMATES, MINISTRY OF THE ENVIRONMENT

(continued)

Mr. Chairman: The meeting will come to order.

As agreed by the committee, tonight's session will be devoted to the subject of acid rain. We will extend the courtesy to you, Mr. Minister, if you care to make a short statement; then Mr. Gaunt, of the official opposition.

Mr. Riddell: If I may beg your indulgence before you start, Mr. Chairman, I have a rather important matter I think should come before the committee.

I am sure you sat in on most if not all of the discussions we had in connection with the Babcock and Wilcox contract with Ontario Hydro. We heard some testimony at that time, which was given apparently erroneously, maybe inadvertently—I don't know.

According to this morning's *Globe and Mail*, we find that the very same persons who told us there were very few problems at the Bruce A plant, are now telling us there are many problems, and that they could take years and millions of dollars to solve. So we got some misleading information.

With that in mind, and following the question of my leader asked in the House this afternoon, I would like to move that Mr. P. G. Campbell, executive vice-president of operations, and Mr. William Morison, director of design and development, Ontario Hydro, be directed to appear before the standing committee on resources development at its next scheduled meeting to explain the serious discrepancy between Mr. Campbell's testimony on the problems experienced at the Bruce A generating station on July 14, 1979, and the reported statements by Mr. Morison appearing in the October 25 edition of the *Globe and Mail*.

I can give you a copy of that motion, Mr. Chairman.

Mr. Chairman: Mr. Wiseman?

Mr. Wildman: That's Wildman, although I appreciate the compliment.

I hope we will entertain this motion at this time. I am certainly in support of it. It is of very great concern to me and those of our caucus who were involved from the beginning of the controversy and heard all of the testimony on the Babcock and Wilcox-Hydro contracts. Now to see an article in a newspaper that appears to contradict testimony that was presented before the committee is very alarming. I think it needs clarification.

I hope the committee will move as quickly as possible to bring before us the officials who made statements to this committee, indicating there were not serious problems at Bruce A, since these statements seem now to be contradicted in the newspaper. We need to have this matter clarified.

It is a matter of extreme concern that we should have one thing presented in testimony before a legislative committee, and then have the opposite point of view come out later in the newspaper. I don't think we as a committee, if we wish to have any credibility in presenting a report to the Legislature, can avoid having these people come before us to have the whole matter clarified. I hope the committee will support the motion.

Ms. Bryden: I would support the motion. I think we should clear up this situation where it appears the testimony we received is in conflict with what is being reported in the newspapers at the moment. I don't think it would take very long, but I think we should recall these two persons, and get a discussion of the difference in the testimony in the report.

Mr. Makarchuk: What concerns me as one of the people who sat on that committee and listened to the testimony is that these people were giving evidence under oath. It was repeated information brought forth to the committee, that the situation at Bruce was perfect or near perfect, that there were no problems, and so on. It throws out the whole matter of credibility in dealing with officials of Hydro, who come here and give us one story and a few weeks later we find out that somewhere some things are not right.

It seems to me these people obviously knew—perhaps not in July, but similar questions were discussed in August and September—that some of these matters were brewing at Bruce, that problems were developing, and at the same time the committee was misled. It's not just a matter of finding out what is going on at Bruce, but also looking into the statements and the information being given to committees by senior officials of Hydro. The whole credibility of the officials in charge of Hydro is on the line at this time and it is something that cannot be left behind. It has to be sorted out and quickly.

Mr. Bradley: Mr. Chairman, I know that all the members who sat in the committee at that time and the present members would be concerned about the verification of these statements and how they contradict one another.

The testimony that was given and the statement that is given to the newspaper are clearly in contradiction, and I think this is what concerns members of the committee. There is not just a nuance there, it is a contradictory statement that involves millions upon millions of dollars.

You will recall, Mr. Chairman, that Mr. Campbell said, "we are very pleased with the way the boilers are functioning; as a matter of fact we are very pleased with the way the whole plant is functioning," and he stated in another answer, "the performance is very good at Bruce A," and on one other occasion said, "yes, we have had two or three, maybe four, leaking tubes in the boilers, but generally speaking they have worked quite well."

I won't read into the record what was said in the Globe and Mail article this morning, Mr. Chairman. I think we have all had the opportunity to see that Mr. Morison's statements really contradict what was said in the testimony, and I think we would like, as members of this committee and some others who had served then, to clear up this matter, because it may also affect the boilers agreement. I think members of the previous committee would wonder if it doesn't affect the agreement that was struck between Hydro and Babcock and Wilcox. Are we now to include Bruce A in part of this deal or not, since there are so many problems at Bruce A apparently, according to this article, and since there's a question again of the assigning of costs, if indeed this article is borne out in its veracity?

I would certainly support this motion. I am not a voting member of this committee but I would certainly urge voting members to clear up this matter as it relates not only to past testimony and the principle of clear and

accurate testimony but also as it relates to the future. I know you as the chairman were concerned, we are all concerned, about this agreement between Hydro and Babcock and Wilcox, and it may even affect whether or not the government might consider retendering the Darlington project in the light of all the problems that exist.

In the light of that I would certainly speak in favour of that motion by Mr. Riddell.

Mr. Chairman: Just before I put the motion, I communicated with Mr. Gaunt and with Ms. Bryden that I had received correspondence from Mr. Wartzman, our control counsel on the committee, and he has been making inquiries and meeting with officials of Hydro and others. As far as he is concerned, and I think we all are, our report was based on an arrangement for settlement with two other groups and that settlement has not been finalized. He gave me to understand that they told him they expected to have it finalized by November 6.

What I am asking for is guidance. I think the committee has every right to have these people before us, because they were under oath, they understood that, and what we read in the papers is somewhat different from what we were led to believe. However, I am not making any accusations at this time. In view of the November 6 date we may have to recall counsel anyway and go over this thoroughly, because our report was based on the fact that we anticipated that the arrangements between Hydro and the boiler firm would be finalized with the other two contracts, one in Quebec and the other one with Brazil. On the basis of that, I'm just wondering when we should set a date.

[8:15]

Mr. Van Horne: Mr. Chairman, I must beg your indulgence here. The issue as laid forward to the committee in this motion is not that settlement or anything related to it. The issue is what is here on the motion, and I don't think we should be encumbered by any consideration other than what we have right here.

Mr. Wildman: With respect, Mr. Chairman, in fact that date for the negotiations and for settlement of that controversy and that matter between the company and Hydro has been postponed a number of times.

Mr. Bradley: Three or four times.

Mr. Wildman: If we wait for that, we are not going to be able to resolve this very serious problem and this is a separate problem. It is a separate issue. It's an issue that we were not directly involved with in the

hearings. It was separate from that. In the hearings, as I understand it, the question was raised, "What about Bruce A?" and we were told there was no major problem. That really is called into question by the newspaper article of today.

This is a different issue, Mr. Chairman, and I believe if we are able to make any kind of decision—I understand what my friend from St. Catharines said in terms of the settlement, but really this is a separate issue and one that has to be clarified in order for the committee to make any kind of sensible recommendations for its report. I believe we must have this clarified as soon as possible in the interests of the public and for the public to know.

I don't really think we should postpone it until November 6, when another issue, a separate issue might be resolved. This is something that needs to be dealt with right now. It's basically the issue of the credibility of Ontario Hydro and the officials of Ontario Hydro and their openness and honesty in testifying before a legislative committee, and that's a completely separate issue and, frankly, one that is of more concern to me than the other.

Mr. Chairman: I have no hesitation in stating that, but I will be frank with you. I have got bills here that I have got to go forward to justify with the clerk. It is the counsel salaries and it is much more than the whole cost we estimated for this committee.

Do we have this hearing just with the members without a counsel? I do not know if I have the authority to invite him to be here. This is the position I am in.

Ms. Gigantes: Mr. Chairman, you have a motion before you and if we dealt with that motion then we could decide how you could go forward so that we could deal with that motion. We have a very straightforward motion before us and we can have further motions on how we proceed.

Mr. Chairman: Okay. You have all heard the motion. All those in favour? Those opposed?

Motion agreed to.

Mr. Chairman: From what I understand, you are giving me the authority to go before the finance committee to find out if we can get counsel to make these arrangements to have these people notified to be here, is that it?

Ms. Gigantes: Mr. Chairman, I would like to raise the question with members of the committee, first of all, whether we feel counsel is necessary or whether it is a matter

of the committee being able to deal with the question itself without counsel. I would like opinions from other members of the committee on that. Aside from that, I think it merely means deciding on the appropriate and timely hearing of the issue.

Mr. Bradley: Mr. Chairman, in response to that, I think that's a good way in which to move. The members of the committee who were there would recognize that we are dealing with a very specific point here. I don't anticipate that the testimony will be long. I think it is a matter of clearing up whether they are having difficulty or they are not having difficulty; which is correct? It seems to me you wouldn't need counsel here to do that on that particular occasion. I think we could proceed without the counsel in this specific case.

Mr. Chairman: Do you want the clerk to notify these people that we want them here?

Mr. Bradley: Yes.

Mr. Chairman: When?

Mr. Bradley: The next scheduled meeting of this committee.

Mr. Chairman: Is that agreed, next Tuesday evening?

Hon. Mr. Parrott: Is it really that urgent? There are some schedules and it's not easy to rearrange a full ministry's activity. We had counted on being here Tuesday night.

Mr. Chairman: Would anybody have any objection if you had them on Wednesday afternoon? We're free Wednesday afternoon.

Mr. G. I. Miller: Mr. Chairman, I think we have to give it to the ministry. They've already made arrangements.

Ms. Gigantes: Mr. Chairman, I would be willing to do that just to be agreeable. But I would like it on record that when members of this Legislature sense there is a problem of the credibility of witnesses from a public corporation, responsible to the people of Ontario through this Legislature, who have not been straightforward, it appears—this is an allegation, an unsubstantiated newspaper story at this stage, but I believe there is substance behind it—I would like it on record that I would prefer to meet at the earliest possible date.

I think the witnesses involved, the two officials of Ontario Hydro who have been named in the motion, have very simple questions to answer in a straightforward manner. There is conflicting evidence about who has been giving the straight goods on this. I don't think it would require a great deal of time to settle it if the minister is totally adamant about this.

In the Ottawa Valley, as you well know, Mr. Chairman, these things are one way or the other, and you can decide very quickly.

Mr. Riddell: I'm fearful too, Mr. Chairman, that if we postpone it too long Mr. Campbell and Mr. Morison may take another holiday up in Algonquin Park.

Mr. Chairman: We would notify them. The reason I asked about counsel is I'm almost positive neither one of them will appear without counsel.

Ms. Gigantes: Considering the gravity of the matter before us at this moment, whether they go into the private hiring of lawyers for self-defence—is that what you are suggesting or are you suggesting that one corporation lawyer—

Mr. Chairman: No, they've had a lawyer here with them all along.

Ms. Gigantes: I'm sure that one of the Hydro lawyers would be here on a matter of this nature. I don't think we should feel impeded by that fact.

Mr. Makarchuk: Or intimidated by it either.

Mr. Van Horne: Mr. Chairman, I wish to make a few points. It seems we're going around the table without any particular order. We've spent a few minutes discussing a motion and immediately the motion is passed we discuss how we're going to change it.

The motion said that we have these people before us at the next scheduled meeting. Immediately we jump into changing that. In my view, that's not the way you should do business.

The second point is, that kind of business makes this whole procedure of having witnesses before the legislative committee appear to be so asinine that it defies description. The people who come before us have apparently witnessed our activities as legislators over the years and, if these allegations are true, seem to think they can tell us whatever it is convenient to tell us. It just makes the whole process appear to me to be awfully stupid and irresponsible.

Mr. Chairman: Mr. Van Horne, in all due respect, Ms. Bryden brought a timetable to me which we circulated to all the members. It was agreed by the committee that we would follow that allocation of time and hours on different subjects. We've tried to follow that.

The minister has arranged dates with people in his different departments for them to make other arrangements to be here. I am not trying to avoid it, I am quite willing to

sit Monday night. I am quite satisfied not to interrupt his program.

Mr. Van Horne: I am directing my caustic comments at the committee members and not you necessarily, Mr. Chairman.

Mr. Wildman: Mr. Chairman, the thrust of the motion and what we all want is for these people to come before us because we want clarification. I think we all would prefer to have them here as soon as possible. If it would be easier for all concerned to get them here by Wednesday afternoon, we can live with that. The important thing is to get them here to clarify what seemed to be contradictory statements and to deal with the whole question of the credibility of Ontario Hydro, which is a question that has to be resolved. If Wednesday afternoon is acceptable, I think that would be acceptable to me and my colleagues, although we would prefer to have them here as soon as we could.

Mr. Riddell: Mr. Chairman, I really object to the suggestion we are inconveniencing the ministry officials by having a certain date set for a certain discussion on a certain topic. Look, we meet once a year to consider the expenditure estimates of the Ministry of the Environment. If those people working within the ministry are not prepared to come at the beck and call of the minister whenever we are going to discuss a topic, then—I am not being unfair about this—but I don't think we are inconveniencing them all that much considering we sit for practically a whole year.

Hon. Mr. Parrott: Yes, but we have been here. The ministry has been here this year. I think more than any other ministry has ever been here on record. The room is filled now with ministry officials, and it's all over-time—

Mr. Riddell: Which is their job, Harry,

Hon. Mr. Parrott: It is their job and I haven't heard one complaint out of them, but it seems to me they make their plans. It's not that far in advance. You are talking about Tuesday versus Wednesday; in fairness. You are talking about one day. I honestly can't comprehend it is that urgent: one day.

Mr. Chairman: This is the sad part. Normally we just take things as they come, but this was drawn up, this was the way they wanted it. Now it is changed; this is the problem I am confronted with.

Mr. Riddell: The minister doesn't feel it is that urgent. But I am going to tell you, for too many years now Hydro have been allowed to run their own show and I think it's time they were brought under some kind of

scrutiny and we're not going to play around with them any longer.

Ms. Gigantes: Mr. Chairman, if I could speak as a member of the Hydro select committee, I have certainly not avoided trying to bring Hydro under scrutiny. I hope my credentials on that question won't be questioned by the honourable members opposite.

It seems to me if the minister who is asking our indulgence, and who had put forward a case to us on behalf of his ministry for the estimates, were the minister responsible for Ontario Hydro, I might feel a great deal more cranky. But when it comes to a discussion of proceeding for the convenience of the employees of a ministry who do have other work to do, and a minister who has other work to do and whose responsibility this question is not, then it is the least we can do to indulge the minister and the employees of his ministry and say we will wait an extra 17 hours to talk to two individuals.

I should make it clear, as a member of this committee, and also as a member of the Hydro select committee, that I do not think it is the credibility of Ontario Hydro that is at stake here. I think there is a question of the divided testimony given here before this committee and the testimony apparently given to a member of the press, of two individuals of Ontario Hydro. Not all Ontario Hydro's credibility is at stake here.

I as one member of the committee, and as a person concerned about Ontario Hydro, would be quite willing to indulge them for 17 hours. I don't think it will really effectively make any difference to the quality of the work we do when we look at this question.

[8:30]

Mr. Bradley: In this regard the clerk informs me this committee would likely be dealing with estimates on Wednesday morning for an hour, from 10 to 11 presumably, something like that.

Ms. Bryden: That's the following Wednesday.

Mr. Bradley: What is scheduled for next Wednesday morning—estimates?

Mr. Chairman: That's right.

Mr. Bradley: If the estimates are to run out after about an hour on Wednesday morning, it would seem to me we could revert immediately to having these witnesses before us. In that way, members who had made other plans for Wednesday afternoon in their constituencies and so on wouldn't be inconvenienced. We could probably settle this matter in an hour or an hour and a half.

I am not a member of the committee, but it would seem reasonable to me that immediately upon completion of the estimates of the Ministry of the Environment on Wednesday morning we could proceed with this matter.

Ms. Bryden: It might have to run a bit past 12:30 p.m., because we have already used up half an hour of time that is not assigned to estimates today; but I would be prepared to go along with that.

Mr. Bradley: If my colleague is prepared to indicate that in his motion, the committee can vote on that.

Ms. Bryden: I would just like to make the point that I think this committee has every right to schedule its time as it sees fit, and if circumstances change there is no reason we have to stick to some previously agreed-upon timetable. We have to adjust ourselves to circumstances as they occur. We should recognize we have the right to make decisions from day to day as to what we want to deal with at any given time.

Mr. Chairman: Is it necessary to have a program? You are already running two hours behind time. This is what I wonder, Ms. Bryden. I wish you and Ms. Gigantes would get together and then I would have guidelines to follow if I had my own judgement. As it is right now, I try to be agreeable. I realize this is an important subject. If this last request meets with your favour, I think it's the way to resolve the matter.

Mr. Riddell: I would then amend the motion to suggest we bring these gentlemen before the committee at the completion of the Environment estimates on Wednesday morning next.

Motion agreed to.

Mr. Chairman: Now we will revert to acid rain, Mr. Minister.

On vote 2103, environmental control program; item 2, industrial abatement:

Hon. Mr. Parrott: I have a very short statement—

Mr. Wildman: As opposed to acid comments.

Hon. Mr. Parrott: I hope so.

In 1969, Ontario assumed responsibility for municipalities for the control of air pollution. Under the Air Pollution Control Act we developed abatement programs and set air quality objectives designed to ensure acceptable air quality across the province.

In those early years, government acted to achieve objectives for ambient air quality on a local and regional basis and has recently

become aware of the long-range transport of low levels of pollutants and the creation of the phenomenon of acid precipitation.

We must now act to devise and implement new strategies to combat this problem in both Canada and the United States. In certain areas of Canada and the United States, I accept that Ontario is a contributor. Much is known about the problem, but incomplete and speculative information persists. We know that susceptible lakes could be lost for fisheries within the next 10 to 15 years, we know that remote sources contribute to the problem, and we know that substantial abatement of sulphur dioxide and nitrogen oxide is necessary.

We have concerns in relation to the actual effects of acid precipitation on crops, forests and, indeed, public health. We know if Canada and the United States carefully examine their control options over the next few months they will stand a better chance of taking a reasoned course to solving their respective problems.

We have undertaken measures to provide us with knowledge which we must have to develop a sound abatement strategy. We are continuing to identify and assess acid loadings in those Ontario lakes most susceptible to acidification. We are refining our predictive modelling techniques to better assess the social and economic effects of various controls strategies. We are actively considering possible interim remedial measures which can be employed to protect the sensitive lakes.

We believe we must employ the best practical control technology on both existing and new sources, initially where the greatest environmental benefits will result. Options being considered include any combination of the following: 1. low-sulphur coal; 2. hydro-metallurgy; 3. coal gasification; 4. coal scrubbing—reduce the sulphur by washing; 5. acid plants—remove the sulphur dioxide and convert it to sulphuric acid for various uses.

My officials met in Washington yesterday with other Canadian and US government officials to pursue technical discussions on transboundary air pollution questions, preparatory to formal negotiations for a co-operative agreement on air quality.

The recently released report of the Canada-US research consultation group on long-range transport of air pollution was discussed. After the exchange of views on the air pollution control program in both countries, both sides agreed to develop control strategies for review early next year and to continue their efforts to narrow the unknowns associated with this problem.

I am greatly encouraged by the reports I have received on these discussions and the momentum being created by the concern of the people and their governments. Both countries recognize the problem on either side is different and controls will have to be made specific to the types of sources on either side. This results from a different mix of problems in each country requiring different solutions.

I wish to stress the fact that the different mix will require different controls to avoid later comparisons about variations in approach and the standards applied in each case. Nevertheless, the standards and guidelines adopted in Canada and the United States must be rigorously enforced and in a consistent manner.

As I have said so many times before, Ontario is prepared to enforce the necessary controls in concert with control measures in other jurisdictions. We are also prepared to act singly and in advance of other jurisdictions. I say to you, the problem must and will be solved.

Mr. Gaunt: I want to make a few comments and I want to make them as quickly as I can. I am going to be somewhat critical. Perhaps the criticism is going to be blunted somewhat by the minister's statement tonight because I am encouraged to hear the minister say he and his ministry and his government are prepared to act singly and in advance of other jurisdictions if need be. That is really what we have been saying all along.

Hon. Mr. Parrott: Would you agree that you have never heard me say differently?

Mr. Gaunt: I think I have heard you say that you—

Hon. Mr. Parrott: You heard me say I would act in concert and any time that you heard other than that, it was an interpretation placed on my remarks by a third party and I have to take some exception to that. I can't be responsible for those interpretations and I want right now to make it very clear those were never my words. I hope I am not being too aggressive on that, but I felt I was badly treated, if you will, in that interpretation and Ontario was badly treated; in fact the cause was badly treated, which is far more important than whether I was or not, and those reports misinterpreted what always has been Ontario's intention.

Mr. Gaunt: I want to deal with the in-concert part because the minister did say in his opening statement on page 20, "Ontario is taking and must continue to take abatement action in concert with others." That is a direct quote from page 20. I want to deal

with that, but I don't want to do it right now.

I did say I was going to be critical—I hope that criticism is going to be constructive because—

Hon. Mr. Parrott: I'm sure it will be.

Mr. Gaunt: —what I want to do is move this problem forward so we can start to come to grips with it. In my view, it is the most important environmental problem ever to be faced by government. Its implications are frightening.

We know at least 100 Ontario lakes and the surrounding prime cottage country are dead, written off permanently, and another 48,000 are threatened within the next decade. Our vegetation is being threatened and it even has human health implications, particularly as it applies to drinking water. If this continues over the next 50 or 100 years, the damage, the environmental degradation is going to be immense, perhaps even complete.

I want to deal with the matter of the ministry's research because I think that has really been the motivating force behind the ministry and the statements that have been made and so on. I want to suggest to you Ontario's research in this respect is fundamentally flawed. I will tell you why.

It is fundamentally flawed for three reasons. First of all, it didn't measure air concentrations. Secondly, it didn't measure atmospheric flux. Thirdly, it never measured the dry deposition. When we get into the area of trying to sort out how the ministry came to the conclusion, as it did, that 80 per cent of our acid rain problems were beyond our control, in other words, they were coming in from United States sources—

Mr. Wildman: I thought they meant Greenland.

Mr. Gaunt: Pardon?

Mr. Wildman: It wasn't Greenland they were saying.

Mr. Gaunt: No. I could never quite get to the crux of that matter because it seemed as though the ministry, in its research, had gone around with a few little cans and located them and collected the rainfall. Then they tested the acidity of that rainfall in those containers. While that is a legitimate activity, the crucial point in all of that was the prevailing wind. Unless the wind was from the north for each rainfall event tested, the tests have no relevance to the Sudbury shutdown.

The minister kept telling us that when the Inco plant was shut down there was no difference, as I understood it, in the acidic content of the rainfall collected. That has no rele-

vance unless we know whether or not the wind was coming from the north at the time of the collection. I could never find that out, and all of a sudden the thing fell into place when I read page 21 of the minister's statement.

I think a lot of us knew intuitively the research was wrong. I think what the minister is now attempting to do is to sort of move back from that a little bit and perhaps try to suggest any conflict or appearance of conflict is really not because Ontario research was not accurate, but it is because the other report and any differences which may emerge are a part of a continuum and progression in the learning process of a very difficult and complex issue. I suggest to you it is much more than that. I think it is much more than that.

I think it is a case where Ontario's research, although well-meaning—and I underline that: although well-meaning—was wrong and/or inadequate, which has resulted in a number of changed positions on the part of the government and the minister.

[8:45]

Let me review the comments of the minister in regard to the acid precipitation which he made during his leadoff statement, during the course of which I will point out some of the changes that have taken place.

The statement I find is somewhat defensive and in some cases inaccurate. Let me take you through it. On page 20, the minister says, "Indeed, some statements yesterday suggested the report established substantial differences between it and the work done by MOE scientists, subsequently reported to the standing committee on resources development. This difference seemed to focus on the assessment of which jurisdiction is most responsible for Ontario's problems with acid precipitation."

I say to the minister, of course it focuses on that, because I think we now realize Ontario's research was wrong in its findings and in some of its conclusions.

The statement goes on, "Before addressing that point, let me make this clear." The mention is made about the long-range transport problem and then the statement says, "Both Canadian and US sources must be controlled if Ontario's threatened areas are to be protected."

That is a change, because the minister is now saying Canadian and US sources must be controlled, if Ontario's threatened areas are to be protected. That is certainly a change from what the minister said in Hansard on February 5, 1979. Just to remind my

friend, it says: "First, if we eliminate every Ontario source of sulphur and nitrogen oxides, it would have virtually no impact on the continuing damage to our lakes, virtually no impact. We produce less than three million tons in Ontario as compared to a combined total of 39 million tons in the north-eastern United States." That is a change on the part of the minister.

The minister also says, "Ontario is taking and must continue to take abatement action in concert with others." I was pleased to see, and I mentioned it right at the outset, the minister said he is prepared to act singly. I am glad, because I don't think we have the time to talk about in concert.

Ontario stands to lose more than many of the areas in the United States and in Canada. I think we are not playing a game of equal magnitude here. I think we have more to lose than many other areas in this country and many other areas in the United States in this respect.

The statement continues, "Ontario cannot act by itself" I am pleased to see tonight the minister says, "Yes, we can and will." I am grateful for that. I think we are making progress; we are coming. But the statement says, "Ontario cannot act by itself and solve Ontario's acidic precipitation problems."

Hon. Mr. Parrott: Is that not true?

Mr. Gaunt: Well, it can't solve them all. It can't solve them all, but we can solve some of them. I think Ontario must take the lead because, as I indicated before, I think we have more to lose. We have a major leadership role with respect to this issue and I think we have to pick it up and run with it. I don't think we can wait five or six years, until our knowledge catches up and we have all the answers, before we start doing something. I just don't think we have that much time.

The minister says: "It is important to understand why this is so, and to separate its significance from any suggestion that we, as a province, are trying to escape our responsibilities by engaging in a blame game when co-operative action is required." It is not a blame game. I think we were engaged in a do nothing game and I am glad that now appears to be changing.

On page 21 the minister talks about the experimental study in the geographic area of Haliburton and Muskoka. In the third paragraph the statement says, "Let us examine what these data do and do not say. They are data which apply only to one very crucial and susceptible area of the province, not the

entire area of eastern Canada. We have no data at the present time to relate acidity and precipitation all over the province and we have never implied that this 80:20 ratio applied anywhere else but the area studied"—the area studied being Haliburton and Muskoka.

With the greatest respect, Mr. Minister, that just is not so. In the Premier's (Mr. Davis) letter addressed to the Prime Minister on February 21, 1979, the third paragraph says in part: "Our data indicate that US sources are already responsible for some 80 per cent of the acidic precipitation experienced in Ontario."

Not Haliburton, not Muskoka; Ontario. I mentioned this before, but Legacy, a paper put out by the Ontario Ministry of the Environment, says most acid rain starts outside Ontario. Not Haliburton, not Muskoka; Ontario.

So I don't think it was implied; I think it was said. It was certainly said by the ministry, certainly said by the Premier, certainly said by the press—and I think that was wrong. It was inaccurate.

The statement continues: "It is entirely possible that in other areas of the province the association of acidity with any wind direction will be different. This is why we are going to conduct precipitation monitoring all over the province in the APIOS study."

My question has to be, why didn't you do that to start with, before you came out with the inaccurate statements and conclusions which in some cases continue?

On page 22 the statement says: "Emissions vary from season to season and from year to year, and can be expressed in several different ways. For instance, 'tons of sulphur dioxide' is a different figure from 'tons of sulphur,' but these two figures can both be used to express output from the same plant."

That's quite true. No question about it.

The next page, atmospheric flux. We didn't take that into account. Atmospheric deposition, at the bottom of the page the statement is made: "Each kind of deposition can have a different impact on the surface."

That's quite true, absolutely. I agree with that entirely. There again I say why make statements about who is doing what to who until we have all these different parameters? That's all. Nothing more; nothing less.

On page 24, regarding deposition: "The Canada-US report estimated the total sulphur deposited in very large geographic areas by using models. However, the form of deposition was not discussed, and this is critical in assessing whether crops are damaged or lakes are acidified."

As I gather it, the study team really didn't have the capability to study the form of deposition. I understand that will be done later on, but I don't think that is really critical in assessing whether the crops are damaged or the lakes are damaged. I think we do know enough about sulphur and its chemical reaction and what happens up there. I don't think the form of deposition is critical.

I have to give an analogy here. Before we do anything about the problem, I don't think we have to have all the facts. Before a doctor operates, I don't think he has to have every last detail known to him before he does the operation. If that were the case, I am sure we would have the most successful operations in history, but the patients would die. I think if we waited for that, we would be in some trouble in many areas. I think it comes back to that old saying, "The operation was a success but the patient died."

I'll skip through this rather quickly. On page 28, the statement says: "At the present time there is no hard evidence that current levels of acidic precipitation on a regional scale are having any significant effects on natural vegetation. The research mentioned in the Canada-US report refers entirely to experiments conducted in the laboratory and in the field under control conditions utilizing simulated acid rain with a pH of 3.4 or less."

I just make the point that when we test for carcinogens we test in the lab and ban things on that basis. I think lab testing is a perfectly legitimate and acceptable scientific method.

Hon. Mr. Parrott: If I might interject with one question: Will you keep your mind open on that until you hear testimony? I think that's an important one and I really want you to keep your mind open on that one. That's a biggie.

Mr. Gaunt: All right. I shall do that. I have gone through the report and I have pointed out a number of areas where I think the minister and I disagree. I don't want to do that any longer. I want to come to some solutions; let's talk about what can be done about this situation.

The minister mentioned the provincial program of approximately \$2 million is closely tied in with the federal and US programs. As I understand it, they are going to dovetail. One of the things I would like to see the ministry do is to "persuade" companies to put some money into research and development. If, in order to persuade them to do that and do it consistently, you have to put it in a control order, then you have to put it in a control order. But I think it should be done.

I would like the minister's reaction in that respect.

I also think the minister and his officials should start dealing with the emitters of sulphur dioxide. Basically there are 20 of them in the province. There are six major ones. The biggest by far is Inco.

Through you, Mr. Chairman, I say to the minister he is not going to be able to deal with any of these companies in trying to limit their SO₂ emissions unless he deals first with Inco. It is the biggy; it is the pivotal company. The other companies can say, and rightly so, "Why should we clean up if the government isn't making Inco clean up? They are the biggest; they are doing the most damage; they are emitting the most SO₂. You make them clean up and then we will clean up." I think that has to be done, otherwise any attempts to limit SO₂ emissions in this province are doomed to failure.

[9:00]

I can't understand the government's dealing with Inco in this regard. I don't know what it is about that name that sends quivers through the ministry. It seems every time Inco is mentioned there is a quaking and a shaking.

Hon. Mr. Parrott: Even the tourists are laying charges this year.

Mr. Gaunt: One can almost picture the minister in his lighter moments as a sort of Matt Dillon Parrott with his sidekick, Chester McIntyre, going to see what they can do about Inco. The pollution fighters march up on their white chargers and all of a sudden, as soon as they set foot on the property, they seem to turn into powder puffs.

Mr. Wildman: Are you suggesting the region is crippled?

Mr. Gaunt: I'm just suggesting that maybe the two of them do a soft-shoe routine on the front lawn.

Mr. Wildman: Chester would have a hard time doing a soft shoe.

Mr. Gaunt: I don't know. I can't understand it.

Mr. Wildman: Matt forgot to take his guns with him.

Mr. Gaunt: Seriously, I hope the minister is listening to me because I don't think there is any possible way he can deal with any of the other companies unless he deals with Inco. I'm serious about this, I really am. I think you're going to have to deal with Inco, and deal with them firmly before you even move in on any of these other 19 companies; otherwise you're doomed to failure right off the bat.

Mr. Riddell: There is one way—relinquish your position to Murray. He'll get the job done.

Hon. Mr. Parrott: The people of Ontario have ordained otherwise.

Mr. Riddell: And I'll go with him as Chester.

Mr. Gaunt: We've got to figure out how we're going to get the white chargers.

The other thing that can happen in this regard relates to the committee's recommendation on page 54. I'll read it because I fully endorse it. It says:

"The committee recommends that if examination of new technologies indicates a form of abatement technology that is applicable to the Inco situation, the Minister of the Environment should issue a new control order to Inco within the next six months re-instituting the sulphur dioxide emission abatement target of 750 tons per day and requiring attainment of this target by December 31, 1985.

"Failing any breakthroughs that may result from an examination of new technologies, the committee recommends the ministry require Inco to reduce emissions of 1,500 tons per day by June 30, 1983, since company documents show that the 1,500 tons per day level could be reached within four years. In addition, the order should contain the earliest possible deadlines for attaining the 750 tons per day level and ultimate elimination of emissions after the independent evaluation of the company's technological proposals and cost estimates for achieving the required abatement."

Mr. Minister, I subscribe to that. I think that's a course of action you should seriously consider.

Nanticoke is the next largest emitter of SO₂. It emits 405 million pounds per year. Lambton generating station at Sarnia is next at 288 million pounds per year. The Falconbridge smelter at Sudbury is next with 235 million pounds per year. Then comes the Lakeview generator, Toronto, at 196 million pounds per year. Algoma Steel at Wawa is 183 million pounds per year. Those are the big ones. After that it drops off pretty rapidly.

Mr. Riddell: Poor old Huron is the recipient of a lot of it.

Mr. Gaunt: Yes, in some cases that's true.

I hope this discussion tonight is going to be worth while. I hope the minister will act singularly and start taking some action to alleviate some of these problems. I caution the minister; I don't think he has to be so defensive about the findings of the US-Canada research team on acid rain. He has

continued to indicate that the results were preliminary. I think all of us understood that and appreciated it.

But the problem is serious. The fate of 40,000 Ontario lakes is at stake. The fate of our Ontario tourism industry is at stake. I think we need some decisions. I think we need some action by this government. I think there is a major leadership role for the minister in all of this.

I don't think we have to wait until all the i's are dotted and all the t's are crossed. I think there are things you can do now. Otherwise, if you don't do them, I think we are going to stew, even fry, in our own acid rain. So I think that when one considers the technologies that are available today, a great case can be made to suggest the sulphuric acid that would come from scrubber installation at Inco or Nanticoke or Lambton or Falconbridge, but particularly Inco, could be used for fertilizer production and that's why I raised the question in the House today.

Mr. Laughren: You are always bashing Inco.

Mr. Gaunt: I could respond to that, but I won't. I think there are some great opportunities there. We could develop a fertilizer industry in the north by simply using the by-product pollutant—

Hon. Mr. Parrott: What does the word "we" mean in that instance?

Mr. Gaunt: We?

Hon. Mr. Parrott: Yes.

Mr. Gaunt: Ontario; you; the ministry.

Hon. Mr. Parrott: You would like the government of Ontario to get into the fertilizer business?

Mr. Gaunt: No, no. Not at all.

Hon. Mr. Parrott: You said "we could." Who is "we"?

Mr. Gaunt: I thought Ontario could develop an excellent fertilizer industry in the north—

Hon. Mr. Parrott: But who is "we"?

Mr. Gaunt: —provided the ministry gave the leadership to private industry.

Hon. Mr. Parrott: You mean I tell them that's a bright idea, and that's leadership?

Mr. Gaunt: I think you have to go a little further than that.

Hon. Mr. Parrott: That they must?

Mr. Gaunt: No, no.

Hon. Mr. Parrott: Where in between is that leadership you ask me to give?

Mr. Samis: That's a diversionary tactic, Murray.

Mr. Riddell: Like the Minister of Energy (Mr. Welch).

Mr. Gaunt: You want me to define leadership? I can't define leadership.

Hon. Mr. Parrott: No, no.

Mr. Gaunt: I can't define your leadership. You'll have to do that. I'm giving you the idea. I think it is a good idea.

Hon. Mr. Parrott: But I want to know how you propose for that idea to become a reality?

Mr. Gaunt: Help the company with the research.

Hon. Mr. Parrott: I don't think there's much research in that particular decision. That isn't the problem.

Mr. Gaunt: I think it is a problem in so far as some undefined technologies are concerned. You can help them with that. Why can't you?

Hon. Mr. Parrott: I wanted to be double sure on that, but I don't have belief that there is much technology, or new knowledge needed, for that process. That is not the problem.

Mr. Gaunt: What is the problem?

Hon. Mr. Parrott: Whether or not it is economically viable for them—you don't ask the government to do it; whether or not they wish to enter into that market now. It's a market analysis. It's a pure business deal. It doesn't need leadership from government. If there is a buck there, private enterprise will do it, and you are not asking government to do it.

Mr. Gaunt: No.

Hon. Mr. Parrott: Therefore, I don't understand why there is a role, unless we put an order on a company that it must go into business making fertilizer.

Mr. Gaunt: Oh, no.

Hon. Mr. Parrott: And I didn't think you would say that.

Mr. Gaunt: No, I'm not—

Mr. Samis: That's a real blue herring.

Mr. Riddell: Yes, but apart from the fertilizer, what is it going to cost the tourism industry?

Mr. Gaunt: That's another issue, as I said to your leader today. I think you separate them. I still believe you separate them.

Mr. Riddell: The only advantage of having this acid rain, I suppose, is that it would provide a market for umbrellas—if you read the Star today.

Mr. Gaunt: I'm suggesting to you that there is a good opportunity there for Inco

and for any other company that has phosphates in the ground to develop a good fertilizer industry. Can I leave it at that? I think it's a good idea.

Hon. Mr. Parrott: I didn't argue that.

Mr. Gaunt: All right. You mentioned that we should employ the best practicable control technology. I would suggest we employ the best available control technology. I think there is a difference.

Hon. Mr. Parrott: Do you think there is a difference?

Mr. Gaunt: Yes. I think there is a difference. So with those remarks, Mr. Chairman, I conclude and I look forward to the balance of the discussion.

Hon. Mr. Parrott: Mr. Chairman, I think there is a lot in that submission and I think we should deal with it. I agree, and we have agreed all the way through, that it was an important subject. No one has ever underestimated that. Quite frankly, I've never felt defensive about the US-Canada report. Yes, I did try to make some explanations that weren't always drawn from that report. As a matter of fact, one of the comments of the authors is that there have been some inferences drawn from that report that aren't necessarily logical, so that I don't think I was alone in feeling there was a need for clarification.

But the key of your presentation centred on the fact that Ontario's research in our study is in, I think you suggested, four basic areas: flux, dry deposition, air concentrations and wind direction, in our study. I think it is only fitting that we address those, and I think perhaps Greg, if you would come forward. Greg Van Volkenburgh. I always stumble a little bit, Greg, on that one. I think you will probably act as our spokesman, and I think it would be wrong to let Ed off the hook entirely. There is a free microphone up here, Mr. Piche, if you would join us. Perhaps before we are through, we will need Sam Linzon, too, and so we might as well have Matt Dillon accompanied by the Three Musketeers.

Mr. Chairman: George, would you mind moving over here.

Hon. Mr. Parrott: You didn't list them in that order. I think you had air concentrations first, did you not? Would you deal with that one first, and let's go at them in the same order Mr. Gaunt put them forward. I'm sure you heard and understand the situation that our research is flawed. I think you have better knowledge than anyone to respond to that.

Dr. Van Volkenburgh: I would like you to sort of repeat the question, if you could.

Mr. Gaunt: Oh, I didn't ask a question.

Hon. Mr. Parrott: You made a statement.

Mr. Gaunt: I made a statement.

Dr. Van Volkenburgh: All right. If you could repeat the statement, please.

Mr. Gaunt: I said Ontario's research was flawed in three aspects. It didn't measure air concentrations; it didn't study atmospheric flux, and it never measured the dry deposition.

Dr. Van Volkenburgh: I certainly don't think it's fair to say that Ontario doesn't measure air concentrations. Mr. Shenfeld could probably come up here and elaborate better than I can on the number and different type of monitors that the province has installed at many locations.

Mr. Gaunt: No, but I think the point is, were the air concentrations measured in this Muskoka and Haliburton test study? That's the point.

Dr. Van Volkenburgh: Oh, certainly they weren't measured in that study; but you have to remember though that that study was a wet deposition study. Wet deposition means the measurement of the rainfall and a characterization of that rainfall. The 80:20 number that has been so often quoted and misinterpreted refers to a wet deposition study of that particular area.

[9:15]

Ideally one could put air monitors and highball samplers at different locations and try to use those concentrations to measure dry deposition. That's a separate project which I could describe to you a little bit if you like, but the 80:20 number refers to the wet deposition.

Mr. Gaunt: Yes, I understand that. I know there are many other members who wish to take part in this debate and I don't want to take too long, but it never really came home to me in the same way as it did during the minister's statement.

The minister stated, "By analysing the rainfall for each precipitation event and analysing the air trajectories for each of those events, we concluded that 80 per cent of the time the measured acidity was found to be associated with winds from the southerly quadrant." So in other words, if the winds were coming from the south 80 per cent of the time, which is the prevailing wind, then you get acid rain deposition from the US 80 per cent of the time.

Mr. Shenfeld: Southerly sources.

Mr. Gaunt: Yes.

Mr. Shenfeld: Actually, the air quality level in the Muskoka area is very clean. Sulphate deposit and nitrate deposit would be very low compared to the amounts coming down with precipitation. We knew that beforehand, so we didn't actually have to study that. If you did study it, you would find that the sulphates and nitrates in the atmosphere would occur overwhelmingly with southerly winds and very little of it near the ground with northerly winds, because it does take the oxidation of SO_2 to form sulphate and the oxidation takes place under warm circulation. Therefore when we measure sulphates we always have a southerly circulation. So that actually puts the blame on southerly sources to a greater extent than if we measured it for rainfall.

The idea of this study was actually to determine, in the Muskoka area where we felt that the acid rainfall was placing lakes into jeopardy, where that rainfall and the acid in it came from. But as far as air quality is concerned, we know that the sulphates near the ground are always coming up with southerly circulations, so are the oxidants.

Dr. Van Volkenburgh: That's fairly well documented. Ontario Hydro has a sulphate monitoring network and has been issuing reports for I think almost two years now.

Mr. Gaunt: We have our own network?

Dr. Van Volkenburgh: We have our own network. The US study is documenting the same kind of behaviour. I have a paper here that points out the difference in sulphate levels in the state of New York and they are much lower when the wind trajectories are coming out of northern Canada than they are when they are coming out from the west and the south.

Mr. Wildman: Just a supplementary, Mr. Gaunt: It really bothers me that when we as a committee listened to the presentation when you gave us all those maps and you talked about the *nom de plume* and all of that sort of thing—

Mr. Gaunt: The looping plume.

Mr. Wildman: The looping plume, yes.

The fact is that initially you mentioned to us your experiments and your study in the Muskoka area. However, that was extrapolated to all of Ontario, at least all of northern Ontario when we got into a discussion of Inco with Mr. McIntyre and others. The fact is the 80:20 was not misinterpreted by us or anyone else. It was presented to us by you people on the basis of 80:20.

The argument was raised with us that we should not go after Inco without also having it in concert with the US and other areas, because for Inco I think three per cent or something was the figure used—something like that. The 80:20 was presented to us extrapolated for all of Ontario.

When you talk about misinterpretation, don't talk about misinterpretation by us, by the press, by the public or by anybody. You people extrapolated it, and you're backing up now. I would like to know where you get off talking about misinterpretation when in fact you did a study in Haliburton and tried to whitewash the Inco situation, arguing that Ontario should not go ahead prior to an agreement with the US.

I would like to know where the minister or the minister's officials—

Hon. Mr. Parrott: Read that from the transcript. It's a great statement, but read it from the transcript.

Mr. Wildman: I got into an argument with Mr. McIntyre. I am fully aware of what was discussed in that argument during those hearings. The argument was used on 80:20. That was the whole basis of the argument.

Mr. Gaunt: In addition, I think that Professor Kramer and Dr. Hutchinson also had difficulty, great difficulty—

Mr. Wildman: They disputed it.

Mr. Gaunt: —with the 80:20.

Mr. Wildman: They said it was more like 50 or 60 per cent.

Mr. Gaunt: I think the US-Canada report substantiates that, if I may say so. I don't think it comes down with the percentage; it doesn't say 60:40 or 50:50, but what it does say to me in reading it is that it sure isn't 80:20.

Mr. Shenfeld: In comparing percentages I think you would actually have to take measurements of precipitation and do the trajectory studies for every location in Ontario if you wanted to determine what the percentage was for each location.

The report that was presented to the standing committee outlines exactly what we did. The lakes of concern were in Muskoka-Haliburton. We discussed that. The fact is that Inco is close to that area. We were trying to determine what the contribution of Inco is compared with other sources. That was the purpose of that investigation.

If you wanted to determine what it is in James Bay, that would be another study. You would have to take the acid measurements up there, and you would get a dif-

ferent figure. If you went into southern Ontario and did that again, you would have a different figure. It would probably be a higher percentage because the precipitation comes up with southerly winds. Southerly winds would take Inco's plume northward. Southerly winds bring the US sources and our southern Ontario sources to the Haliburton area.

Dr. Van Volkenburgh: I think with regard to the Canada-US report you can talk about more numbers. I guess the feeling I had when I read the report is that basically it's a very good introduction to the subject, and that's what the report stated. Unfortunately, I think people are starting to make too much out of the report and they're starting to misinterpret some of the numbers that are mentioned.

For instance, we talked to the Canadian federal government scientists about why they were talking about different kinds of numbers in these reports. One of the faults that has been mentioned in the research program we have is the discussion of flux. Let's talk about that for a moment.

I've had two or three federal scientists ask me—and it's certainly one we agree with, we asked them to confirm our opinion—why do you talk about flux in this Canada-US report? What does it mean? What it means—and we both agreed on this, I can show you joint minutes from a meeting we had with them—is that flux is a way of characterizing the fact that pollutants move back and forth across the border. It doesn't tell you that they're coming down.

You could take a mass which has sulphate, sulphur, dioxide, NO_x and nitrates. It could move up from New York; it could go across Ontario; it could go back out across Massachusetts and out into the Atlantic Ocean. Flux is relevant only in documenting that there is a transboundary problem. The measurement of flux is not really highly relevant to determining what the impact is in various regions.

We do measure flux in certain cases. In the case of Nanticoke, we had one study in 1978 where we participated with the Americans. We took some measurements out over Lake Erie in various weather conditions to see how to characterize the air mass coming across the border. We take flux measurements of plumes to see what is going from the stack through a given area and then out into the environment. But on a transboundary level, flux doesn't really tell you that much. What does count is deposition.

One of the things that you are talking about, flux, is interesting to look at, but it's not really zeroing in on the problem. The deposition and the tracing of the air masses back to try to figure out a sort of source receptor relationship are really the things we are trying to zero in on in that part of the APIOS program. In talking about fluxes and a little bit about the numbers that are in this Canada-US report, I think you have to try to be very careful in assessing the significance of the topics they are discussing, and then you have to look at the numbers they are discussing and see what the numbers do and don't mean.

Let's go to the deposition number, and talk about the one that means the most. That number is a number which, to quote the report, says the total sulphur deposition in southern Ontario and southern Quebec calculated to be from sources in the US is 50,000 tons in one given month. This compares with 110,000 tons originating within Canada, that is, within the Ontario region and the Quebec region.

What does that mean? It means that over a very large area that is a number. How is the number arrived at? The number is a modelling calculation, and there are several limitations in the model. That's not to say that the model is wrong, but that you can put a given amount of significance but not a number, a qualitative significance but not a quantitative one by any means. Ask any modeller and he will tell you that. The models suffer from any unknowns and disputed parameters that are used in formulating them.

Let's assume for the moment that the number has some sort of qualitative significance. What happens then? You have to start to specify what kind of sulphur it is and then you have to start to specify where it is going to come down. Sulphur can be in the form of SO_2 in a gas. It can be in the form of sulphate in a particulate or in an aerosol. Not all sulphates are bad. Sulphate does not always mean hydrogen ion or hydrogen acid.

It could be an ammonium sulphate. It could be a metal sulphate. So sulphur does not mean acid. There is a large amount of debate going on right now and there are several large studies in the US trying to figure out how sulphur and sulphate aerosols tie in with acid. You can get contradictory results if you look in the ocean and if you look in the midwest in some of these studies. I was just in Washington where they had a lively debate about the fact that it doesn't seem to correlate with acid all the time.

Aside from trying to figure out the form of the sulphur, then you have to go on and say now those are the numbers, but where is it coming down, if it all comes down. If a large amount of that material comes down in a very sensitive area, you have a problem. But if you go and look at the back of the report, there is some sulphate data that is taken from the federal government network which shows that a lot of the wet deposition of sulphate, at least in eastern Canada, comes down along the St. Lawrence River valley and that area does not have susceptible lakes in it.

That is not to say that a large amount might not be coming down in the northern part. Maybe the amount coming down in the northern part is unacceptable. The only point that I guess I am trying to make is that you can't just look at two numbers characterizing an area of hundreds of thousands of square kilometres and instantly conclude that that means we have a tremendous problem.

There surely is a problem, but before you can take intelligent action I think you have to be able to assess how it is coming down and where it is coming down. That is what we are trying to do. Once you assess that, then you can go back and start to figure out intelligently how to control the sources, such that you protect your most sensitive areas.

You talk about numbers and terms. What I guess I am trying to communicate is that you have to discuss those terms and numbers with caution.

[9:30]

Mr. Gaunt: I guess it is a problem; I guess it is akin to lawyers. It is difficult to get two lawyers to agree, and sometimes I guess it is difficult to get two scientists to agree, because Dr. Slater, when he was before the committee, said that flux was important. Now I understand that—

Dr. Van Volkenburgh: I am not saying that flux is not important. Flux is important to document the fact that an international problem exists which requires international action. It is a very important thing to look at, but in terms of trying to assess what is being damaged, how much it is being damaged and where it is being damaged, the most direct measurement that you can make is of deposition.

Mr. Gaunt: I know a lot of other members want to participate, but may I ask one final question, Mr. Chairman? Can anyone tell me what the acidic precipitation content was when the Inco plant was down and the wind was coming from the north? Do you have that data?

Dr. Van Volkenburgh: We are at present working on that data. We did have both cumulative wet-only samples, meaning samples that take rain and collect it for a period of months and then they are sent away to the lab for analysis, and event samplers that were operating both during the shutdown and after the shutdown, that is, samplers which collect precipitation on an individualized basis at several locations, say within 100 kilometres of Sudbury.

We are working on that data as quickly as we can. I realize there is a great deal of interest in it, and we are very interested in it ourselves. The data analysis is complex and we are trying to do the analysis very carefully and write a report which, when released, will not lead anyone to make any misinterpretation of it.

Mr. Gaunt: But that would be pretty important data, though, if you are going to make a judgement as to the contribution.

Dr. Van Volkenburgh: I couldn't agree with you more, sir. It would be very important data, but I will reiterate it is only wet deposition. There was another area, to go back to the program, in which you seem to feel we are inadequate—dry deposition.

Dry deposition is a very interesting topic. Several of our scientists are going down to North Carolina this November for a dry-deposition workshop, which EPA is putting on. EPA puts one on every year, and no one has yet figured out how to measure it. The federal government currently has a network which has been renamed and is now called NADP, National Atmospheric Deposition Network, which is designed to measure wet deposition, and it is trying to figure out how to measure dry deposition.

So are we. What we may do is try to follow their lead and try a method which everyone knows isn't perfect, but hopefully when a better method is found, if we all use the same imperfect method now, we can go back later and try to correlate it successfully to the better method that has been developed.

I have no magic answers for dry deposition. It is a very involved topic. You have to know the efficiency of your collector. You have to know that the compounds don't change when they are collected. You have to characterize the land surface that you are collecting in. If you want to use this information in a model, you have to formulate something called a deposition velocity and there are people arguing right now about factors of 10 difference in deposition velocity numbers.

Those numbers are a critical parameter in theoretical models such as the one used in

the Canada-US report, and the dry deposition numbers now, for instance, over a snow pack, differ by a factor of five. It is very hard to attach anything more than qualitative significance to a model when you have some of these parameters varying by factors of five and 10. Nobody denies that the models are necessary, and everybody would love to get all the measurements done, and we are working closely with teams in the United States who are measuring deposition velocities experimentally. We follow their work eagerly and we try to suggest projects they could do which would be relevant to our surface area.

Mr. Gaunt: May I just go back to my previous question? How many rainfall events do you have where the wind is coming from the north and where the Inco plant was shut down?

Dr. Van Volkenburgh: I am sorry, I don't have the data at my fingertips. I could write it down, and if you would like the number of events with north and south winds, I could have it sent to the minister and he could give it to you.

Hon. Mr. Parrott: There is one more point for sure I think we should talk about when we have the gentleman here, and that was your concern about the terrestrial effects—that is important—and the significance of whether you can accept what's going on in the lab. There are some really pertinent comments that should be made on the pH of soil in a control condition. I heard some rather interesting things yesterday from Dr. Linzon. I think we should hear them again.

Dr. Linzon: I fully agree with you, Mr. Gaunt, that experiments are necessary. We certainly vouch for that. I myself have done many experiments and have been a researcher, you might say, throughout my entire career so I like to see this type of research conducted.

You must be very careful to assess the results of the research. What we try to say, and what the minister has said in his opening statement, is that the research mentioned in the Canada-US report refers to experiments conducted under controlled conditions, utilizing acid solutions with a lower pH or a much higher acidity than that found in normally occurring precipitation. As you are aware, pH is the negative logarithm of the hydrogen ion concentration. Thus, for every unit difference in pH there is a 10-fold difference in hydrogen ions.

What has been referred to in the Canada-US report in a number of instances is the results of experiments conducted using acidified solutions with a pH of around two or

three. Three would be roughly 10 times the acidity which we normally find in the atmosphere, and two would be 100 times the acidity found in normally occurring precipitation.

It's the same thing with soil. What has been happening in the experiments mainly conducted in the laboratory and in the field using lysimeters is that they would take a core of soil and add acidified solutions of a low pH and look for leaching of various bases.

We don't object to this type of research. In fact, we'll probably be involved in some of this ourselves. What this does is use a very severe acid loading and in effect you shorten the time span for effects to occur. This again is very useful, as you pointed out, regarding carcinogens. It's very useful to be able to predict what possibly could happen with smaller concentrations.

We have to be very careful to assess these results. They are difficult to translate to the field. It's difficult to predict whether these will really occur in nature under the present conditions. You might say we are concerned that these things can happen, these effects can occur. You might say that our terrestrial system is endangered through extrapolation at the present time.

To give you an example of what does happen in nature, because it's a very complex system—the terrestrial system is a very heterogeneous system—you take soil that's out in nature with a vegetation canopy on it. We do have compensating factors. This is what is happening. It's different from taking a core of soil and pouring acidified solutions on it. Out in nature we do have a number of compensating factors.

In addition to the presence of buffering components in the soil there is a continual replenishment of these bases in the soil through leaf fall which replaces calcium and magnesium. There's root weathering of the bedrock which replaces some of these cations. They're picked up by the roots and recycled through vegetation. There are always compensating factors that occur which we must be careful about in assessing these experimental results.

In vegetation we know there are a number of adverse effects that have been produced in experiments using very low pH solutions. Again, there are a number of compensating factors there. It's been pointed out in a number of experiments that nitrates and sulphates in the acidified solution do act as a stimulating mechanism. They act as a fertilizer, you might say. Many experiments using these

have actually shown an increased height and diameter growth in trees as a result in the experiments.

There's one paper referred to in the Canada-US report by Irving and Miller. They don't mention the results but I heard these two researchers speak at a meeting and in one year of their experiments using pH solutions of 3.1 on soybeans they found a decrease in soybean yield. The next year in the experiment they found an increase in the yield of soybeans. Nothing is conclusive.

Mr. Riddell: What effect does it have on the crop if there's direct contact of sulphuric acid with the foliage? What effect does it have on the ozone layers which definitely affects a very susceptible crop like white beans? We can talk about the stuff in the soil and we can talk about the stuff in the water, but I'm sure it is also making direct contact with the foliage in a crop with massive leaves, like corn. This stuff is falling on it and it's also affecting the ozone layer.

Dr. Linzon: Yes, that's what these experiments have shown. They have used beans and other crop plants and they have found some adverse effects. But they have only found these when they've used acidified solutions of a pH of about three or less. When they've used pHs of four or five they have not found any effects. They are, you might say, control levels.

This is what concerns us. We have always used this word—there is a "potential" threat to crops and to soil from acidic precipitation. We're concerned about this and we're studying it. We want to monitor and survey and do experiments because some of these effects, as I just pointed out, are insidious and subtle to the point maybe of being nondetectable at the present time. We don't want to wait until they are so evident that it's too late to do anything about it. We want to be able to detect any of these effects. We are embarking on and have conducted some preliminary work on an intensified terrestrial program to study this phenomenon.

Mr. Gaunt: Thank you very much, Mr. Chairman. I've taken much longer than I intended.

Hon. Mr. Parrott: I'm sure we're covering some of the ground that will be covered later but I guess I just have to express my concern that you feel our research is flawed. I don't share that concern and I'm not sure that it's very easy to pick holes in their research and their interpretation of other research. I really don't think that's correct.

You propose some solutions: "Persuade companies to put money into research." As a matter of fact, I feel quite confident that that is a lot more than just a possibility. Let me tell you what worries me. If Inco, which seems to be the prime target, puts the money into a research project, would it be held as though that was innocent money?

It would be pretty easy to assume, if the result was not 100 per cent incriminating for whoever paid for it, that the report was purchased for a reason. We've seen that happen in other instances.

Mr. Laughren: That's why he's worried about your research.

Hon. Mr. Parrott: It seems as though you think that our researchers are out to prove a government position.

Mr. Laughren: That's correct. All I know is—

Hon. Mr. Parrott: I think you're wrong.

Mr. Laughren: —it's towards the same goal, and that is to put off yet again enforcing a control.

Hon. Mr. Parrott: You're absolutely wrong there. That is not the purpose of our research.

Mr. Laughren: Just coincidence, is it?

Hon. Mr. Parrott: No, it doesn't relate at all. I think it does say we want to know what we're doing. If what you want is some money from the companies, I would be surprised if they're not prepared. I won't go further than that, but I think it would be nice, if they did put money into a project, and it was through a neutral source, of course, if we should accept that money and also accept that it wasn't tainted money, that there'd be no cynicism whatever results were to come through.

[9:45]

You say, "Deal with the biggest emitter first." I agree. As a matter of fact there's a meeting scheduled in my office next week. I'm not going to argue that. We agree that you must deal with the largest source first and worry about others as well.

I've said I wouldn't single one out and deal only with one. Of course I won't. We must deal with all of them. I don't disagree that you may, on a priority basis, deal with the largest one first. That makes sense. All I've ever said on this subject is I wouldn't single one out and leave the others alone. I don't see the fairness or justice of that. That's pretty consistent with what I've said before.

I guess the last one I have to come to, and maybe we'll be able to do this at greater

length some time, is recommendation 264. Do you believe, first of all, that it's reasonable to ask the Minister of the Environment to do as you request in two months? There's one place where you ask us to do it by the end of the year and one in which you ask us to do it in six months. In recommendation 264 I think it says six months. There's someplace else where it says to do this by the end of 1979:

"In general, the committee recommends that the Ministry of the Environment undertake to produce by the end of 1979 a review of their technical and ecological basis for setting sulphur dioxide emission standards."

Mr. Wildman: Have you started?

Hon. Mr. Parrott: Certainly we've started—long ago. But the trouble is when we start and try to come to a logical conclusion then we're hammered with the concept of well, of course, any of that research, any of that will be on a basis to excuse Inco from doing something.

Mr. Laughren: We're only going by your track record.

Hon. Mr. Parrott: I tell you the track record is a 50 per cent reduction and you seem to have lost sight of that once in a while in the last eight years. As soon as I say that, you say, "All of a sudden, bingo. You're defending Inco." No, I'm putting a fact on the record, nothing more, nothing less. Is it true there has been a 50 per cent reduction? Is it true or isn't it?

Mr. Laughren: I don't consider cancelling your own control order as any kind of record to stand on and be proud of.

Hon. Mr. Parrott: I asked you whether it's been reduced by 50 per cent.

Mr. Laughren: Of course, to 3,600 tons a day.

Hon. Mr. Parrott: Then acknowledge it.

Mr. Laughren: You're proud of 3,600 tons a day.

Hon. Mr. Parrott: I didn't say I was satisfied with it either.

Mr. Laughren: You appear to be. You don't do anything about the control order.

Hon. Mr. Parrott: No, I didn't. You want to pin that on this ministry.

Mr. Laughren: Yes, you're damned right I do.

Hon. Mr. Parrott: It's good politics to do so. But once in a while I think it deserves a little more understanding and recognition of what has been done. We're prepared to recognize more has to be done if you'll recognize that a good deal has been done.

Mr. Laughren: I will recognize that not nearly enough has been done.

Hon. Mr. Parrott: But you won't recognize the other. That's the interesting point.

Mr. Laughren: What a ridiculous statement.

Hon. Mr. Parrott: It is ridiculous.

Mr. Laughren: I'll tell you something, the best thing that ever happened was when the super stack went up and the problem then was spread to more people, because until it got outside the environs of the immediate Sudbury area nobody gave a damn; nobody gave a damn, including your ministry. Now, suddenly, you're saying, "We're proud of our record." What a joke.

Hon. Mr. Parrott: When did the stack go up? I didn't say that, Floyd, and I won't let you put words in my mouth.

Mr. Laughren: You don't enforce your own control orders.

Hon. Mr. Parrott: Of course we have been.

Mr. Laughren: You haven't been enforcing your control orders.

Hon. Mr. Parrott: We have been enforcing our control orders. This last year has been an excellent year for enforcing of control orders and a compliance with control orders. We dealt with that the other night.

Mr. Laughren: What happened to your 1970 control orders?

Hon. Mr. Parrott: You're talking about one specific order.

Mr. Laughren: I sure am, the biggest one.

Ms. Bryden: It's not the only one that was withdrawn.

Hon. Mr. Parrott: That's not so, Marion, not so. If you'd look at the record on Reed Limited, you'd find that this committee did more to delay that matter, if you will. You talk about procrastination, if this committee had heard that issue in one week and come to its conclusions we could have been advanced one solid year. As a result we lost about 14 or 15 months.

Mr. Laughren: Talk about your 1970 control order, beat your chest a little—

Mr. Riddell: Let's get a little advance in what we're doing now.

Hon. Mr. Parrott: I agree; So it brings us to the position on what grounds would your committee say that you believe that is possible. You've given us very concrete terms and dates. Tell us, if you will, and explain the scientific way, how you would go about that. You must have had that information to make that kind of decision. I'm interested

in knowing how you arrived at that? What was the logic of the process, put it into words?

Mr. Laughren: Inco said themselves they could do it in four years.

Hon. Mr. Parrott: I don't think they said they could do that. They said it was possible—

Mr. Laughren: You've seen the report. That's not \$2 billion either, I might add, it's \$300 million. They said it themselves; it's not our figures.

Hon. Mr. Parrott: That's your logic.

Mr. Laughren: It's not my logic, it's theirs.

Hon. Mr. Parrott: That's your logic. You're saying they said they could do it, right; there were no other conditions?

Mr. Laughren: They said they could do it in a four-year period for a cost of \$300 million. As a matter of fact they say in a report to the committee in February 6, 1979 they could convert sulphur dioxide to acid. They don't use the precise tons but they say the estimated capital cost is very large, nearly \$250 million dollars.

Hon. Mr. Parrott: What will we do with the acid or sulphates after? Has that been thought of? That's part of the problem.

Ms. Bryden: We asked you to do some research on that.

Hon. Mr. Parrott: I know, but you're making the suggestion that we handle that kind of volume.

Mr. Laughren: Inco was prepared to do it. They had the storage facilities for the acid all worked out; of course it's been thought of. Inco took that into consideration; there's material here on the vats for storing the acid and the berns to protect the town of Copper Cliff from the huge vats. Of course it's been thought of, your people know that.

Hon. Mr. Parrott: You're not worried about those vast quantities of acid?

Mr. Laughren: No, that can be converted to elemental sulphur. I would rather have—

Hon. Mr. Parrott: Then what would you do with the sulphur?

Ms. Bryden: Use it for highway construction; it's being used that way right now.

Mr. Gaunt: Sell it to China.

Mr. Laughren: Also, we have tailage areas that occupy hundreds of acres. I'd rather have piles of elemental sulphur than I would SO₂ going out the stack; I'll take that option every time.

Hon. Mr. Parrott: So you are asking us within two months to do the research and technology that's required?

Mr. Laughren: It's done, in detail; it's done.

Hon. Mr. Parrott: I think you're optimistic.

Mr. Laughren: In 1975 it was done. It was then they saw you people wavering and saw that they could do an end-run around you. Those are not my figures.

Mr. Riddell: There might have been an attempt this year if the unions had given them permission.

Mr. Laughren: That was totally irrelevant. That was the iron ore plant, Jack; you're showing your ignorance again.

Mr. Riddell: Come on, let's see both sides of it now.

Mr. Laughren: It had nothing to do with it. Just try and restrain your anti-union views for one night and deal with the environment.

Mr. Wildman: It's almost like your colleague from Fort Erie who suggested that the union members should each buy a pound of nickel and that would solve the overstocking in the nickel situation.

Hon. Mr. Parrott: You ask me to believe Inco, you are using their report. The testimony from your report was Dr. Warner told the committee that in the absence of a technological breakthrough he believed major emission reduction would entail total replacement of the existing smelter, or capital costs which "would have to be measured in the billions of dollars, not hundreds of millions."

Ms. Bryden: That's what he says.

Mr. Laughren: He's contradicting himself.

Hon. Mr. Parrott: If you want to talk about 1975 figures, surely those aren't the same figures that will be—

Mr. Wildman: Whose fault is that?

Mr. Laughren: Whose fault is that? They were prepared to go through with it.

Hon. Mr. Parrott: The fact is he's not contradicting himself.

Mr. Laughren: He is.

Hon. Mr. Parrott: No, I think there was a figure that was logical and possible then, but that figure isn't the appropriate figure to use today.

Mr. Laughren: It includes an inflation factor.

Hon. Mr. Parrott: Are you telling me you believe it could be done for \$300 million?

Mr. Laughren: I'm saying that if you had implemented your control order—

Hon. Mr. Parrott: If!

Mr. Laughren: You're the one who didn't implement it, you're the one who backed off from it. That was a legitimate price then, the \$300 million. As a matter of fact—

Hon. Mr. Parrott: That is not the price today, and you know it and I know it.

Mr. Laughren: No, but the inflation factor built in to the end of 1979 put it at \$300 million to the end of 1979, with an inflation factor built in. If it has gone up to \$2 billion now it is simply because you have backed off on that control order. Don't blame anybody else for that. I don't even blame Inco; they are as civilized as the jurisdiction in which they operate, which happens to be Ontario.

Ms. Bryden: The \$2 billion has never been justified in any way as far as actual costs go.

Mr. Laughren: It sure hasn't, the minister just believed it.

Hon. Mr. Parrott: Well you asked us then to justify that.

Ms. Bryden: I would like INCO to.

Hon. Mr. Parrott: You want us to know those figures in two months.

Mr. Chairman: We will hear from Ms. Bryden, and then, Floyd, you follow her.

Mr. Laughren: I'll try to be brief in flaunting my expertise.

Ms. Bryden: Mr. Chairman, since we are on this subject of the biggest single point source and what to do about it, I would like to switch positions with Mr. Laughren and let him carry on. I have other issues I wanted to raise regarding the minister's statement.

Mr. Laughren: I will be very brief. It really does bother me that when the problem became greater than a Sudbury problem it became an international problem. I guess we should take some satisfaction in that, but I find it difficult to do. I found a strange difference in the statement that the minister made this evening about taking leadership in this jurisdiction and the statement made by his northeastern region director, Mr. McIntyre, when he appeared before the committee. He expressed the view—and I don't have the transcript here—that we had to have something—I think the minister even said it, as a matter of fact—we had to have something to bargain with when we talked to the US about their emissions. So there is a strange kind of contradiction in those two statements.

Of course contradictions are not new to us. The experts themselves don't impress us. Pardon us if we are cynical about expertise. We had James Kramer before us and he indicated that for Lakes Superior and Huron the US was the source of 50 per cent and Canada 42 per cent. We get all sorts of different figures in that sense, so we are not completely buffaloes by some of the figures.

We cannot compete with the doctors of science who appear before us and give us

the data. How can we compete with that information? We don't have that kind of expertise. But I can recall going back—I dug out of Hansard of November 1977 when I was questioning the then minister, Mr. Kerr, in the Legislature—he is a couple of ministers ago—he said, “We have decided that a new level is necessary.” He didn't say 750 would be necessary but he said that a new level was necessary. I asked him, “Well you won't let the economic problems in the Sudbury basin affect your decision will you? You'll make sure they carry through with this?” He said, “Yes, Mr. Speaker, I will be assured of that.” He would be assured of that. Now nobody really knows why the control order was cancelled, other than the statements by the minister that it was very expensive to Inco.

When this report came to me saying that for \$300 million they could do the job in a four-year period, and that is with an inflation factor built in, I thought, well, you know that isn't such an incredible price to ask INCO to pay, I think it is most reasonable. It would, of course, be amortized over many years. Nobody has to pay for something like that in one, two or three years, it is amortized perhaps over 20 years.

You know it was over \$300 million, that was in 1975 when this report was done, and in August 1974 they had just paid \$233 million, almost \$234 million, for a battery plant in the US. In 1973 they had invested a capital cost of about \$850 million in Indonesia, Guatemala cost \$235 million. It's not as though we're talking about a company that didn't have the leverage to spend this kind of money, they certainly did; I think we should just keep that in mind.

[10:00]

What is bothering me, too, is that here we are with this array of expertise out there—and I am sure that they are very expert these people who are in the room with us tonight, I don't doubt that a bit—but holy smokes, you know most of them are here in the public sector because of private sector abuse, and that bothers me. It should bother you, as one of the free enterprisers in our province, that here again we are socializing the costs that are brought upon us by the private sector. I find that rather offensive. There seems to be no end of money that we can pour into studies and research and so forth; but then we back off when it comes to applying control orders that cost the private sector some money, a lot of money. Surely that is part of the equation out there for extracting our ores and destroying our environment. That really bothers me.

Just go back to the control order, briefly. There was a 1970 control order that was supposed to be in effect by the end of 1978. Even if the minister had said, “All right, the 750 tons is a bit much,” and had sat down with Inco in 1975, with their SO₂ abatement budget book from their general engineering department, and said to them, “Look, let's take a look at this thing.” In 1975 they could have done it so that by 1979 it would be down to 1,500 tons. The chart is very explicit; by December 1979 it would have been down to 1,500 tons a day, and the precise cost was \$299,198,000. They understood very well what the name of the game was and the kind of money that had to be spent. They've got flow charts—PERT, isn't it, program evaluation review technique, that's the system they use, in the private sector now in particular, to chart a project right through from the beginning to the end. They have all that here; it's a very comprehensive study, I think the study itself cost them a couple of million bucks.

Anyway, here we were in 1975 saying it could have been done by 1979. If the minister had even said in 1979, “We are not going to enforce this order. We are going to give them another four years,” that would have been one thing; but he didn't even say that, he did something worse than that.

Hon. Mr. Parrott: In 1978.

Mr. Laughren: In 1978, was it? Yes, I'm sorry, it was 1978. At that time the minister said, “We are going to let it go at the present level to 1982.” So even if in 1982 he enforces this, or something like this, it is 1986 before it gets done because you need a four-year lead time. So all of a sudden we go from a control order that was supposed to be in place by 1978 to one that cannot possibly be enforced by 1986.

Now that is an unacceptable delay. That is a very neat shuffle you've done on us; it is not just a four-year shuffle, it is an eight-year shuffle you've given us. That is unacceptable. I think that the minister should take a long look at what he has done.

I don't know how you can say the things you do about the need to delay, and your refusal to insist on your own control order. I'd like to know where you got your figures of \$2 billion. I'd like to know why, in 1975 when this was available to your ministry, you didn't enforce it. They told us this was made available to your ministry; that is what Inco said when they were before the committee, “Oh yes, we would have given this to the northeast region at least.” Well did you get it; did your senior people ever know

about this? And if not, why not? If Inco had this, with a control order staring them in the face, did they or did they not present this to your ministry officials? That is a good question I think. If they didn't they are obviously withholding information that indicated they had the expertise to do it, the technology to do it.

Hon. Mr. Parrott: I've seen a lot of time—why don't you leave it with me over the weekend?

Mr. Laughren: I'd never see it again.

Hon. Mr. Parrott: I'll swear in blood. How much can I pay you for it? What do you want, do you want my wallet as security? It's not very valuable.

Mr. Laughren: Oh, no.

Hon. Mr. Parrott: Do you want a ransom?

Mr. Laughren: No, no.

Hon. Mr. Parrott: What would you like to let me have it over the weekend?

Mr. Laughren: Just a commitment—

Hon. Mr. Parrott: I'll keep it with care.

Mr. Laughren: A commitment to enforce the control order.

Hon. Mr. Parrott: It would be so much easier if I read the report. Let me have it over the weekend.

Mr. Laughren: I will lend this report to you over the weekend, there is no problem there.

Hon. Mr. Parrott: That's the first good deal I've had in a long time. No security?

Mr. Laughren: No security, there are enough witnesses.

Hon. Mr. Parrott: Just witnesses, fine.

Mr. Laughren: Besides I know that if you keep it—

Hon. Mr. Parrott: I can see we're coming together on this one.

Mr. Laughren: —one of your ministry people will send me another one.

Hon. Mr. Parrott: I think you had better initial that one. I want to return that one to you.

Mr. Laughren: I assure you I did not get this one from Inco, understand that.

Hon. Mr. Parrott: I see.

Mr. Laughren: You will have to draw your own conclusions as to where I did get it, but I'd be quite happy to pass this over to you.

Mr. Wildman: I think you should ask him for a commitment to enforce it once he reads it.

Mr. Laughren: I could make that assumption.

Hon. Mr. Parrott: Thank you. There goes another weekend.

Mr. Laughren: I would like your comment on whether or not your officials received a copy of that in 1975 when it was done; I would very much like to know that.

Hon. Mr. Parrott: Herb, do you want to comment on that?

Mr. McIntyre: The time Mr. Laughren brought that report to the hearings last February was the first time I had seen the report.

Hon. Mr. Parrott: That was the first time you had seen it. For sure I hadn't seen it; and that's not a fair comment in the sense you know I haven't seen it.

Mr. McIntyre: I think I said that at the hearings in February.

Mr. Laughren: But it was never cleared up at that hearing, Mr. McIntyre, as you recall, because it really stuck in my mind almost as much—well what was never understood clearly was whether anybody in the Ministry of the Environment who could do something about it had received that report. Do you know the answer to that?

Mr. McIntyre: When I went to Sudbury in the fall of 1977, as part of looking at all of the problems for the region I researched the files that exist in Sudbury on Inco. There is no mention of that report in the file.

Mr. Laughren: We should dig up the transcript of that, that was recorded I think. They certainly indicated to me at that meeting—maybe some of you remember, maybe you remember, Mr. McIntyre—the Inco officials said, "Oh yes, we would have given that to the Ministry of the Environment." Do you recall that?

Mr. McIntyre: No, I don't recall it. I recall distinctly you asking me, when I was sitting there, if I had seen the report, and I said no, I had not seen that report, which I presumed to be the one you were waving in the air in February. I believe Dr. Warner was in the audience and he also said he had not received or seen that report. I think that is in Hansard.

Mr. Laughren: Yes, he did say that.

But wait a minute, wait a minute now, that's not fair. There was an Inco official, not Dr. Warner necessarily, but there was an Inco person involved with that report, who knew about that report, who said: "Oh yes, we would have given it to the Ministry of the Environment."

I believe what Mr. McIntyre is saying, I'm not questioning his word here, but all I am

saying is either Inco is playing games or somebody in the Ministry of the Environment is. Very clearly, we were left with the impression it would have gone to the Ministry of the Environment. If it didn't, how do you feel? How do you feel, Mr. Minister, if that didn't go to the ministry? Do you feel you're being dealt from the bottom of the deck?

Hon. Mr. Parrott: I want to see that.

Mr. Laughren: No, you don't want to say that, but—

Hon. Mr. Parrott: I said I want to see the report. I don't know what's in here. I'm not sure I'm ready—

Mr. Laughren: Wouldn't you agree if that report was done in 1975, which it was, that your ministry should have received a copy, given the fact there was a control order from your ministry hanging over their heads?

I think the question doesn't need an answer. It's a rhetorical question I suppose, but it's pretty obvious.

Hon. Mr. Parrott: I don't think we were entitled to it as a right. You can't walk into a company and tell them we are going to search the whole doggone files and anything they have is ours.

Mr. Laughren: Come on now; when you sat down and negotiated, or when Mr. McIntyre sat down and negotiated the cancellation, the virtual cancellation of that control order, did Mr. McIntyre know that existed? You were the one who negotiated it.

Mr. McIntyre: In my research through the files there was a record of a meeting that took place in 1977 where the company presented a summary, which I take to be a summary of that report.

Mr. Laughren: In 1977 you knew Inco could get down, for a cost of \$300 million, to 1,500 tons in four years?

Mr. McIntyre: They had apparently said that in 1975.

Mr. Laughren: That was made known to you in 1977?

Mr. McIntyre: Yes. There was also a later meeting where they withdrew that, saying the information was incomplete, and on the reassessment it was substantially different. I think that is what Dr. Warner is referring to in the comments he made to the committee when he spoke of it being in the hundreds of millions, perhaps billions, of dollars.

Mr. Laughren: Did you know that?

Mr. McIntyre: Did I know what?

Mr. Laughren: That the information had substantially changed from \$300 million to a much higher figure?

Mr. McIntyre: There was correspondence on the files of the company saying they were withdrawing the offer, because from review of additional, more-detailed information than was contained in the files it was going to be substantially more.

Mr. Laughren: In other words, the company did offer to do this first?

Mr. McIntyre: In exchange for removal of the order, yes. It is my understanding—

Mr. Laughren: They offered to do this and get down to 1,500 tons in a four-year period, if in exchange you would lift the existing control order which required them to get down to 750 tons. I don't want to put words in your mouth, but is that what you are saying?

Mr. McIntyre: That's the initial proposal that was made in 1975, as I understand it from reading the file, yes.

Mr. Laughren: Oh, so it wasn't made in 1977?

Mr. McIntyre: Oh no.

Mr. Laughren: It was made in 1975; oh, I'm sorry I thought you said in 1977.

Mr. McIntyre: I said that I went to Sudbury in 1977.

Mr. Laughren: Oh I see; that's very interesting, I didn't know that before.

Mr. McIntyre: That I wasn't in Sudbury until 1977?

Mr. Laughren: Oh I knew you were there from the minute you appeared within the boundaries of the region.

Hon. Mr. Parrott: And you have had a lot of help from him.

Mr. Laughren: Yes. Don't get me going about the Sudbury office of the Ministry of the Environment and its co-operation with the local member on things like PCB spills.

Thank you, Mr. Chairman. Perhaps the minister could have a chat with me on Monday or Tuesday.

Ms. Bryden: After he has read the report.

Mr. Chairman: Ms. Bryden.

Ms. Bryden: Thank you, Mr. Chairman. I wanted to come back to the minister's comments that he had never said he would not move on his own and that he would not move until international action was initiated. I think that is what he was saying. However, I have the October 16 Hansard here where the minister said, "Ontario is willing to do its part, as we always have been, in this international environmental matter. I think that very clearly says we are prepared to take our full responsibility in concert with the US and our Canadian coun-

terparts." And then further on he says, "It is absolutely essential that on both sides of the border we attack the problem simultaneously."

Now you could interpret that of course, to mean that he will be moving but he will be moving as the US moves. He then goes on to say: "It would be foolhardy, in my mind, for any jurisdiction to single out any specific industry and say, 'You alone in isolation must change the problem.' The truth of the matter is that approach won't work."

Hon. Mr. Parrott: And don't you agree?

You know that is very clear, in a global context; there is no one, single source. I believe, if I am correct, the evidence is that the Sudbury basin is eighth on the list of sources. Am I about right there?

An hon. member: By area.

Hon. Mr. Parrott: By area. Am I right there, Ed?

Ms. Bryden: Well, it also contributes 20 per cent of the SO₂ emissions in Canada. Isn't that true?

Hon. Mr. Parrott: But that is important.

Ms. Bryden: I think that is what the Long Range Transport of Air Pollutants report said.

Hon. Mr. Parrott: But the point to be made here is that one single source, whether it is Inco or whether it is one of the first seven or one of the first eight or one of the first 12, will not change the problem on an international basis.

I think you would agree with that. No one, single source, even if totally eliminated—

Ms. Bryden: It is the biggest source in North America.

Hon. Mr. Parrott: I have never argued that, that isn't the point. The point I am trying to make—

Ms. Bryden: You argue that it can't change the situation.

Hon. Mr. Parrott: No, no, that isn't—

Ms. Bryden: Particularly in Ontario.

Hon. Mr. Parrott: I think we should agree on one basic fact. No one source, if it were eliminated from our map today, would change the global, the international problem. I think you agree with that. Whether it is Sudbury or whether it's another—

Mr. Wildman: One after another, though, and the problem would—

Hon. Mr. Parrott: I agree with that, I agree as we put them together it would—and that is precisely what I have said.

Mr. Wildman: But you have got to start with one.

Hon. Mr. Parrott: I never argued that.

Ms. Bryden: Start with the large one.

Hon. Mr. Parrott: I never argued that. I said we should be starting together and doing things together, and it is very important that we do things together; but that doesn't make the statement tonight exclusive.

Ms. Bryden: Well does that mean you have to find a plant equal in size to Inco in the US and have the US go after such a plant before you will act against Inco?

[10:15]

Hon. Mr. Parrott: No, I suspect in the scheme of things you'll find there will be little ones started because they are easy to do, not only in their jurisdiction but ours. I think as new plants come on it will be easier to attack the problem. Of course, you'll start on many fronts. The point of that dialogue was to make it as clear as I possibly could, that singling out one source, either in the United States or here, by itself won't materially change the problem. That is unconditionally true, it's that simple.

Ms. Bryden: I don't think we have the facts.

Hon. Mr. Parrott: Let me put it this way: are you saying to me that if you could eliminate one source, one basin, you believe you could change the problem, period?

Mr. Laughren: One at a time.

Mr. Wildman: You could start to change it.

Hon. Mr. Parrott: I have never argued that; that's why you don't like that question.

Mr. Laughren: It is really an irrelevant question.

Hon. Mr. Parrott: It is not irrelevant. I've said we must do them together, and we must start now. I've never doubted that. I don't understand why you wouldn't like to agree that no one single point would change the problem. Wouldn't it be nice if we could take one single spot, wipe it out, and the problem would be gone?

Ms. Bryden: Why not try it, Mr. Minister?

Hon. Mr. Parrott: You know and I know that it wouldn't do the job, wherever it is.

Mr. Wildman: When a person has two cavities you don't fill them both at once; you start with one and then you do the other one afterwards.

Hon. Mr. Parrott: I'll tell you what, if you want to get into that field, I'll take you on any day of the week. You know what you might do? You might be darn sure your diagnosis and your treatment plan was well conceived. You sure as hell wouldn't be doing

a restoration when there were other far more significant things to do in that mouth, if you want to use that analogy. I'm glad you did, because you have a very myopic view of how to attack a problem, whether it's dental or whether it's international problems of acid rain.

Mr. Wildman: I sure wouldn't want to be myopic looking in someone's mouth.

Hon. Mr. Parrott: You can be as snarky as you want; that happens to be good, logical planning. It's about time you understood the importance of good, logical planning.

Ms. Bryden: I would appreciate, Mr. Minister, if you would allow me to finish. I think you allowed Mr. Gaunt to finish quite a long statement.

Hon. Mr. Parrott: Okay, I promise, Marion.

Ms. Bryden: When you said it wouldn't make any difference, you've been hanging your hat on a study of what happened according to certain monitoring while Falconbridge and Inco were closed down in the summer of 1978, before the strike. Yet the report from that states definitely that the information was so fragmentary, and there was a lot of information that was not collected, that you really can't draw any conclusions from that very short close-down period. I don't know whether you're referring to that particular close-down period or to the period during the strike, when I understand that your ministry also did a monitoring of the effects.

We have never yet seen a copy of the study made during the strike. We have no idea at all of the methodology you used and what conclusions we actually reached, so I don't think you should be hanging your hat on what happened during the strike.

Hon. Mr. Parrott: I'm sorry to interrupt, Marion, but I want the information for myself. I thought the Muskoka-Haliburton study was done during the strike period. Am I wrong there? I want to be corrected if I am.

Ms. Bryden: I have a report on the Inco shutdown during the summer of 1978.

Mr. Piche: That's the Sudbury environmental study, air resources branch report?

Ms. Bryden: Yes. It says: "Final conclusions regarding the impact of smelter emissions on precipitation chemistry in the Sudbury area will have to await the completion of a more detailed meteorological analysis than that in the present report, as well as an examination of supplementary data, precipitation, metals, concentrations, evidence of plume impingement from continuous SO₂ analyser records, et cetera, to more clearly define exactly what happens to the local precipitation acidity."

Mr. Laughren: Have we heard that before?

Ms. Bryden: That report really said that we'd learned nothing because we didn't have enough data. As for the other report, about what happened during the strike, I inquired if it was available and I was told it wasn't completed, the material wasn't available and nothing had been published. Until we see that report, and see the methodology and see the conclusions, I don't think anybody can tell the public that report says there was no effect during the strike on the levels of acidic precipitation, and of course if it was just around the Sudbury area it is no measure of the long-range effects. Is that report available?

Mr. Piche: I think Dr. Van Volkenburgh mentioned earlier that there was a very significant amount of work currently ongoing, and I think he implied that the report will be available shortly. He may want to elaborate on that for a moment, but my understanding is that we will be prepared in the not-too-distant future to discuss those results.

Ms. Bryden: Until we do, we can't really say what the effects of the strike were. Mr. Minister, going on with the discussion in the House on October 16, you also said: "I will do, inch for inch, everything any other jurisdiction will do, or that any other company must do. I tell you today, and I put it firmly on the record, we will be as strident with our industries as any jurisdiction will be with their industries. I don't think anybody can ask for more."

Last night, when Dr. Parrott and I were addressing a public meeting, I thought he had said he would be as "stringent" with other industries as any other, and he corrected me and said he meant "strident."

Hon. Mr. Parrott: What is the record?

Ms. Bryden: The record is "strident." Does that mean that you're just going to shout at Inco but put no control orders on them? That's what "strident" means to me. That's no way of achieving abatement.

Hon. Mr. Parrott: To me, "strident" means mean, tough.

Ms. Bryden: That's not what Webster says about strident. I would say "stringent" means being tough.

Hon. Mr. Parrott: It means to the same level of control, how's that?

Mr. Wildman: Oh, whatever.

Ms. Bryden: Okay, but it still says that you're only going to move as fast as any other jurisdiction moves. I say that if we are going to go to the US and negotiate an international agreement, we've got to show

that we have moved on big operations like Inco, like Nanticoke, like Atikokan, and the plans for it. I'm very disappointed in the minister's statement today as to what he is going to do. He says: "Options presently being considered include any combination of low sulphur coal, hydrometallurgy, coal gasification, coal scrubbing, and removing SO_2 and converting it into sulphuric acid."

There's nothing specific in this as to what he is going to do. Is he going to require that scrubbers be installed on all coal-fired plants, especially on Nanticoke and Atikokan? Even if we use low sulphur coal, there is still a need for removal of whatever sulphur dioxide is produced. Is he going to look at the Japanese use of scrubbers in the metallurgical industry? They apparently have been very successful. I understand Inco says they won't work. There's conflicting evidence here. That was a recommendation of the resources development committee.

Mr. Laughren: They use it in the copper refineries.

Ms. Bryden: They don't remove SO_2 that way, do they? Is he going to ask Inco to show why they can't change their process to the process being used by Sherritt-Gordon and Cominco, which is a non-sulphur-polluting method? It's an ammonia-leaching process which produces an ammonia phosphate which can be sold as fertilizer, I understand. Is he going to ask Inco why it can't do that?

Mr. Chairman: I guess we are called to duty to vote, so we'll have to adjourn until Tuesday at 8 p.m.

Mr. Gaunt: Mr. Chairman, I'd just like to draw the minister's attention to the federal Hansard of October 22. Your federal colleague made some extensive statements about acid rain, statements in which he said that the present intention is to rely on the provinces to put in place the needed control requirements. I just draw that to your attention.

Hon. Mr. Parrott: May I see that?

Mr. Gaunt: Yes, sure.

The committee adjourned at 10:24 p.m.

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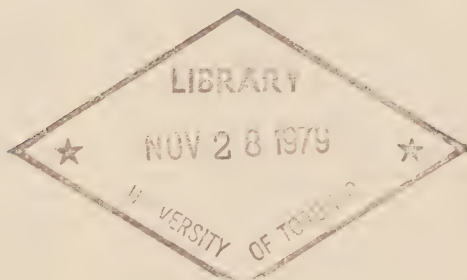


No. R-21

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee
Estimates, Ministry of the Environment



Third Session, 31st Parliament
Tuesday, October 30, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, OCTOBER 30, 1979

The committee met at 8:06 p.m. in committee room No. 2.

ESTIMATES, MINISTRY OF THE ENVIRONMENT (continued)

Mr. Chairman: I call the meeting to order. I have a group of names here that were given to me at the last meeting: Mr. Gaunt, Van Horne, Eaton, M. Davidson, Bryden, Philip, and G. I. Miller, in that sequence if they want to speak. I must inform you there are four hours left to spend on these estimates.

Mr. Cunningham: I understand you're replacing Mr. Gaunt?

Mr. Cunningham: Actually, I thought I was replacing Mr. Julian Reed.

Mr. Chairman: Mr. Gaunt was the first name I had.

Mr. Cunningham: That's fine by me. It makes no difference. Neither one of them is here.

Ms. Bryden: Before we proceed, on a point of procedure, I know the committee doesn't always follow the proposed time allotments but looking at the fact that we have four hours, can we decide to give two hours to each of the two remaining votes, and divide the time approximately half and half between the opposition parties since time is so short?

In other words, what I'm proposing is that we spend the next two hours on vote 2103 and then, if possible, move on to vote 2104.

There is one problem. I understand that the minister was to report to us on his review of the 1975 Inco abatement program. I'm wondering whether he can give us that in writing at tomorrow morning's session, which will be our last session. Then if necessary we can pursue that at the end, or through other means, in the House or someplace.

Hon. Mr. Parrott: Tomorrow morning in writing would be fine.

Ms. Bryden: I think that would be satisfactory to me anyway. I don't know whether it would be to the other members.

Hon. Mr. Parrott: It was a mortal blow to your left.

Mr. Laughren: It hurts to agree to it, but I agree to it.

Hon. Mr. Parrott: At least we can try to get the vote for another 24 hours.

Mr. Cunningham: You lucky guy.

Ms. Bryden: Is it agreed that we try to give two hours to vote 2103 but allow members to deal with any of the sub-groups under 2103 in those two hours rather than going vote by vote?

Mr. Chairman: The only thing is that there are seven who intimated to me that they wanted to speak on vote 2103. I don't think I should be the one who would call them after they've spoken so long and say, "Your allotted time is up." That is up to yourselves, whatever you want to work out. The fact that there are seven indicates to me we should get started. This is why I've started with one government member here. I want to be fair and let people say what they have to say.

Ms. Bryden: I appreciate that. I think you have been very fair, but we now do face this deadline. We only have four hours and I think members would probably govern themselves accordingly if we adopted a motion that we devote two hours to vote 2103, and that they be allowed to speak on any item. Some of those who are on the list may decide to speak on other parts of the vote, but I hope that all of us will try to restrain ourselves to keep within the two hours.

I would move that we deal with vote 2103 for two hours, and that members be allowed to speak on any item during that period.

Mr. Chairman: It's agreeable to me, but if there are three or four left who want to speak, I'm not going to cut them off. I'm making that very clear.

On vote 2103, environmental control program:

Mr. Cunningham: I'd like one or two comments on that before we get into the discussion. It was my understanding that the member for Cambridge had some brief comments that he wanted to make on item 2, industrial abatement. Other than that, it was my understanding we wanted to proceed with item 3 on this vote.

Mr. Chairman: I'm not going to take them in sequence at all. I think perhaps you can cover the whole subject of 2103 and get it over with.

Mr. Cunningham: That's fine.

The only other comment I'd like to make is that we're not running a squash club here putting names up on a board. If people have indicated in the past that they wanted to speak and they're not here I think we certainly shouldn't be influenced by that.

Mr. Chairman: You're right.

Mr. Cunningham: With that in mind, if you're going to conduct it in an open fashion, I was here first and I thought I indicated to the clerk that I'd like to speak.

Mr. Chairman: If you're replacing Mr. Gaunt you have the right to speak first, because his name was first on the list.

Hon. Mr. Parrott: If I might, I have a very short three-page statement relative to our sites for our solidification process and the identification of those two companies that will go with the proposals. I'm prepared to read it now. It'll take me, I think, three minutes. I think it's an important announcement.

Mr. Chairman: All agreed?

Ms. Bryden: Does that not come under vote 2104, waste management program?

Hon. Mr. Parrott: It might, but I think it would be pretty close to industrial abatement.

Ms. Bryden: We're on the general discussion of waste management tomorrow and I thought that was waste management. It's how to dispose of liquid waste, is it not?

Hon. Mr. Parrott: I want to get this out as soon as I can.

Mr. Cunningham: We have no objection.

Hon. Mr. Parrott: If I read it, it'll be done faster than it can be discussed.

Mr. Chairman: Are you satisfied to hear it now?

Ms. Bryden: It's taking time out of our two hours for 2103 but, okay, three minutes.

Hon. Mr. Parrott: Further to my statement on October 16, 1979, concerning the request for proposals for solidification facilities, I am pleased to announce that two proposals have been selected following careful review by technical staff. Subject to the drafting of appropriate agreements with the ministry and the completion of the necessary documentation by the respective companies, I would expect both proposals to proceed forthwith into public hearings under the Environmental Assessment Act.

The proposal by Woodington Systems Limited of St. Catharines, Ontario, involves the establishment of a solidification plant utilizing the Soliroc process, a patented process developed by the Belgian company Cem-

stobel, SA, of Brussels, at its Walker Brothers quarry site in St. Catharines.

The proposal by Brown-Ferris Industries Limited of Toronto involves the establishment of a solidification plant, utilizing the Chemfix process, at its landfill site in the township of Harwich, county of Kent.

In selecting these two proposals, together with the commitment to develop the Durham proposal which complements them, the ministry has taken positive steps towards providing much-needed liquid industrial waste disposal facilities to serve Ontario. The two companies are expected to now complete their environmental assessment documents and submit them by January 31, 1980.

Agreements will be executed with both companies for Ontario to provide for the funding of costs associated with the environmental assessment process, up to a maximum amount of \$100,000 for each company, in the event that either proposal does not receive approval.

The proposals were assessed against the following four basic factors in making the selection:

1. Technical merits of the solidification process and the range of wastes it could handle;
2. Projected costs to the waste generators;
3. Projected costs to the government;
4. Potential for successful approval under the Environmental Assessment Act.

The selection was difficult because the quality of proposals was high and they varied in their capability to meet objectives considered important by the ministry. All proposals reviewed had considerable merit, but these two were chosen as best meeting the ministry's needs at this time.

The solidification or fixation process converts liquid industrial wastes through chemical means into a solid byproduct which is relatively inert and which can be landfilled with little potential for environmental damage. The only reservation the ministry has with this process is the lack of long-term experience.

During the next five years I expect these plants to provide this experience, but at the same time I recognize that there will undoubtedly be development of new techniques.

The proposal submitted by Tricil involved new technology, which is as yet unproven in a full-scale waste treatment operation. Recognizing this and the immediate need for waste disposal facilities, ministry staff believe it prudent not to select this technology at this time. Staff do believe, however, that the technology has merit in future applications, and should be developed further.

In closing I would like to again acknowledge the responsible and co-operative approach which the industry has taken.

[8:15]

Mr. Cunningham: I wish your record in terms of recycling was as good as your record in terms of keeping your commitments in regard to time.

Hon. Mr. Parrott: I've done pretty well these days.

Mr. Cunningham: In terms of the opposition side of the House I don't think there would be much variance in the opinion that your government has really demonstrated a litany of failure with regard to recycling. In fact, if we could recycle all the journals and books we have that were published by the Ontario Economic Council and all your various task forces, et cetera, we could probably heat the building for a year.

The announcement this week of the outcome of the environmental hearing in regard to Glanbrook was a particular disappointment, I am sure, to those of us who are environmentalists, or regard ourselves to be, and certainly I would think to the member for Wentworth (Mr. Isaacs). While the proposed site is not within my constituency, frankly it was a disappointment to me.

I should say at the outset, I make these comments with some element of trepidation in so far as if they were to refuse the site at Glanbrook, they might well be looking in my constituency, as they did in the past, for an alternative site. That tends to beg the question, Mr. Minister, and that is the commitment of this government to an effective recycling program.

I am glad one of our more dedicated former Ministers of the Environment is here with us tonight because, if my memory serves me well—I wasn't a member at the time in 1974—it was my understanding former Environment Minister Newman made a commitment on behalf of the government to establish a series of recycling plants across the province of Ontario. This was accepted by the opposition and, more importantly, it was accepted by the public to be a very serious step in the right direction in terms of dealing with the entire matter of domestic garbage and industrial garbage. I think at that time it demonstrated a great deal of foresight in terms of the energy supply problem we have here today.

Mr. Newman's replacement, the member for Burlington South (Mr. Kerr), made a similar type of commitment, although the construction of the various recycling plants

were not constructed as those of us who hoped they would be.

I might say Mr. Kerr represents the constituency in which my mother resides. I can recall that whole era of the early '70s, where we were all talking about recycling and my mother and her neighbours dutifully were taking the labels off cans, stamping on the cans until they had bursitis in their knees, et cetera, and taking the cans up to the solid waste disposal place in the north part of Burlington.

The only problem was that only about 20 or 30 people in their neighbourhood were doing this. That, sir, is the pith and substance of the problem. While some people would prefer to do it—Mrs. Kerr, Mrs. Cunningham Senior, et cetera—the average individual does not want to make that kind of commitment to recycling.

We could argue that we could stop waste at source. It is a valid argument, except I think we are a long, long way away from that and we will still create domestic garbage, whatever kind of packaging we seek. The problem remains, I think, to see some concerted effort in major municipalities to an effective recycling program.

We were invited to a meeting, I guess it was some time during the summer. We were going through the difficulties with regard to what we were going to do with non-returnable pop bottles. I was critic of the Ministry of the Environment for the Liberal Party at the time. I can recall Ms. Bryden and myself attended a very hot meeting with Mr. Gaunt, as well, up at your offices in the presence of Mr. Kerr and the new deputy minister, whom I gather is no longer there. We went through some long discussions about what was going to be done with regard to cans and, more appropriately, non-returnable bottles. I still regard this issue as not dealt with effectively.

I don't know who proposed the meeting, but some time thereafter we were contacted by representatives of Dofasco and American Can. A suggestion was made that we come and visit one of the most modern recycling facilities in North America. Ms. Bryden didn't choose or wasn't able to go, Mr. Gaunt and Mr. Peterson, our energy critic at the time, and I went on one occasion. I gather Mr. Kerr went on another occasion, to Milwaukee, Wisconsin, to visit the Americology project.

I don't know whether you have visited there or not, but you might be aware the project is a joint venture between the city of Milwaukee, the American Can Company of the United States and the Wisconsin gen-

erating plant or Wisconsin Power—I am not sure of the appropriate title. We visited the plant and I must say, Mr. Minister, I was frankly amazed at the quality of that plant.

Hon. Mr. Parrott: It was working that day?

Mr. Cunningham: You may very facetiously regard the plant to be a failure, but I will tell you—

Hon. Mr. Parrott: Is it working today?

Mr. Cunningham: I contacted the president of American Can today by phone and I was informed it was.

Hon. Mr. Parrott: You were really impressed with that plant?

Mr. Cunningham: Yes, I was.

Hon. Mr. Parrott: You still are?

Mr. Cunningham: I don't have the licence to go down there every week and check on them, Mr. Minister, but I called the president of American Can today and I was assured the plant was functioning and remains in operation.

Hon. Mr. Parrott: You can always question whether it is functioning, sometimes volume is important. It had a certain capacity. Check it out pretty carefully.

Mr. Cunningham: I must say, I saw it in operation and there are some difficulties with it.

Hon. Mr. Parrott: Difficulties? The last time I checked it out, in all seriousness, the thing had blown up.

Mr. Cunningham: Possibly. If you want me to go through the litany of the solid waste reduction unit in my own area and the number of fires and difficulties we had there, I could do that too.

Hon. Mr. Parrott: Today that plant is working much better than the one at American Can. It has nothing to do with the American Can plant—well, just two plants, two technologies, two trains.

Mr. Cunningham: All I can say to you is, I saw the plant in operation. I was extremely impressed. It was working, it was functioning. The only difficulty they have is the control of what goes into it. If people are going to put cans of gasoline or cans of paint or things that burn through it, or bed springs, then we can have some difficulties, no question about it.

But I want to suggest to you, sir, that is a potential model, I am not saying—

Hon. Mr. Parrott: Have you seen ours?

Mr. Cunningham: No, I haven't. If you have a fine plant then we are going to get on

to a topic I want to get on to, and that is recycling. In the area I represent—the city of Hamilton, the city I was born in and basically raised in—we have an excellent location for what I regard to be a showcase for recycling. We have steel mills there, we have glass plants there, we have areas where we could use the energy that would be created from the waste, kilowatts that we could generate from that for our industrial sector. Yet I see some reticence on your part to get into it.

While you may thumb your nose at the Americology project or the project they have in Hempstead, New York, or any other system that may be in existence, I want to tell you, whatever they are doing, it is infinitely better than what is being proposed in Glanbrook, Ontario. I want to tell you that.

Hon. Mr. Parrott: You are playing apples and oranges and it is a nice game. You get away with it all the time.

Mr. Cunningham: There is no comparison with apples and oranges. If you are telling me for one 10th of one second that we have to continue to bury our garbage in the ground for a period of one year or five years or six years, then I want to tell you, you are wrong.

Hon. Mr. Parrott: I have never said it. You put on the record where I have ever said that.

Mr. Cunningham: What I am going to try to do for you tonight is somehow get a request from you to take a very long look at working with the private sector in Hamilton; not only with people who would be interested in recycling papers, ferrous and nonferrous metals and glass for our two glass companies there, but also with the people in Glanbrook and the people who are interested in the entire ethic of recycling.

I suggest to you, sir, that you could not have a better place for a showcase example of what could be done than the city of Hamilton. You would not have to involve yourself in these expensive hearings. You would not have to involve yourself in alienating the people in Glanbrook who are genuinely alienated at this time. You would in fact have a showcase. You would save energy. You would possibly have an example we could use in a microcosmic sense in other municipalities, in London, maybe in Windsor, in the major municipalities. I know in the town of Waterdown where I live we can't have an expensive plant like that; we accept that. But in the major municipalities that type of facility could and should be developed.

If I could respectfully suggest, you are not going to get a better place for such an example than the city of Hamilton. You just

aren't going to get it. I would suggest that if you, as minister, would show the leadership that is required in this particular instance and live up to Mr. Newman's promise, because he is not in a position to do so at this point in time, by seeing that such a facility was developed, it would likely do you a great deal of political good, especially in the township of Glanbrook.

We would not have to destroy the agricultural lands that are there. We would not have to worry about the leachates we are going to see going into the Chippewa water system. We wouldn't have to worry about destroying good farmland. We wouldn't have to alienate the 15,000 people that live in that township and, most importantly, we might be able to create some energy from this.

We might make some mistakes, I think we might. I think members of all parties would set aside partisan consideration. There wouldn't be any finger-pointing. I think we would attempt to work to see the private sector and the government involved.

I want to tell you, while there may be some problems—and I hear from my regional friends, and I use the term loosely, in Hamilton that the Americology project is a failure and that Hempstead, New York, is a failure, and this proposed project they are going to build in Quebec is not going to be any good—there is some collective lack of will on their part to see an effective recycling program.

It has to be done with the co-operation, sir, of the government and the private sector. The private sector has to be vitally involved if the project is going to be viable economically in terms of redistributing and recycling the materials. I, as a proponent of private enterprise, feel that the best group for that is the private sector, in terms of selling and marketing recycled materials; but government has to be fundamentally involved. Again, I am being redundant, but I think the Hamilton project would be a showcase for you.

I look back at the trip to Milwaukee, and it was some time ago—I think it was the summer of 1976—and, quite frankly, sir, I think that whatever difficulties they have had, they straightened many of them out in that intervening period of time.

You shake your head. Maybe I have to go back down there again and see for myself, and maybe I shouldn't take the word of the president of American Can as it was today on the phone; I don't know.

But I want to tell you I was impressed. They had two separate lines. The material

was bulldozed on to their conveyor belts. The ferrous metals were separated and non-ferrous metals were separated. Even aluminum was separated. Glass was separated by colour on a flotation system.

The balance of the material, the refuse-derived fuel was then shipped to the Wisconsin generating plant—I don't know—15 miles away or 20 miles away. It was associated with, I think, the bituminous coal and it created energy. I have two articles actually on the Hempstead plant, which I would be glad to send to you, which indicates that it seems to be a success. There are other projects going in Massachusetts. I understand there is one going in Quebec.

What I don't understand is what is our collective reluctance to see such a good facility built in Ontario. Maybe I am negligent in not getting over to Downsview; and if you tell me that the Downsview thing is a success, then I say that is just wonderful. Let's put one in Hamilton. That is the point I would like to leave with you today.

I would like to ask you possibly if you would consider—in light of the commitment made by the Minister of Energy to recycling and the former commitment made by Mr. Newman, which I believe was made very sincerely, and in view of the increased cost of energy, especially in terms of petroleum resources—what we might do in this regard, and what we can do possibly to save the people of Glanbrook from seeing an unnecessary 500-acre landfill site—the largest landfill site as proposed—and save those valuable farm lands and eliminate the difficulties I know we will see.

If I could just conclude—because I have taken a lot of time and I know other members want to comment on these and other matters, but I regard this to be a precedent—I know whether we give out grants, or whatever we do, we are always worried about setting a precedent. I want to tell you today, if we allow this one, the largest one, to go, then I think we set a very dangerous precedent for the 1980s in Ontario. I can see the Tremaine Britannia project going ahead and any other project that regional municipalities or individual municipalities may see necessary.

As you have, I have been to that mess in Ottawa, the Ottawa Street dump, and it is quickly becoming full. There is no question about it, we are running out of places.

Ms. Gigantes: It's not Ottawa. It's Upper Ottawa.

Mr. Cunningham: Upper Ottawa. The Upper Ottawa Street dump. I have been

there, I have seen it. It is a mess. I think you would probably agree. It is not your fault necessarily. Be that as it may, I don't think we need to see any more of those, and I am not particularly convinced we have developed any more sophisticated technology for burying our garbage in the ground.

[8:30]

In the United States it is a natural resource, they have declared it as such, and I think it is about time we looked at it in a similar fashion. I would hope, sir, as the Minister of the Environment, as the minister responsible for protecting the environment, you might show the kind of leadership that I think people are counting on you for, to see that this project does not go ahead, and that we do what we should be doing and that is recycling—not voluntary recycling, not asking people like Estelle Cunningham and Mim Kerr to stamp on cans and wash labels off bottles and things like that, but in fact recycle and reutilize the materials, many of them nonrenewable.

Hon. Mr. Parrott: Mr. Chairman, in response, I can't tell you how sad I am to hear those words, because I believe the member put them on the record without great political overtones to them. I just can't believe you are so far behind the times here in Ontario. It is shocking to me that you have visited a plant in another state, at some distance, and have not taken the trouble to see our plant which is 10 miles from here. It was built as an experimental plant.

If you would take a few minutes and go up to see that plant and look at the log of who has come from all over the world to see our plant, my mind is boggled—as the member for Sudbury East (Mr. Martel) might say on occasion—that you don't understand the commitment of Ontario to the concept of re-sourcing.

I agree with you it started with the honourable member for Durham East—

Mr. W. Newman: Durham-York.

Hon. Mr. Parrott: Durham-York, I apologize.

I agree it started there and there was a commitment, but you haven't stayed with it—

Mr. Cunningham: You haven't stayed with it. He said he would build 12 or 13 plants.

Hon. Mr. Parrott: But what has happened here? What has happened? We have to have some, a fair amount of co-operation from municipalities; would you not agree?

Mr. Cunningham: In some instances you may have to provide the leadership they

don't have. Quite frankly, in my area they don't have it.

Hon. Mr. Parrott: Are you suggesting that I take over, as the Minister of the Environment, the collection and the disposal of all waste in the municipalities?

Mr. Cunningham: No, and you are putting words in my mouth. I think if you went to the municipality of Hamilton-Wentworth and said, "We are going to build one of these hot-shot Downsview plants"—which I haven't seen, quite frankly, and I hope it works; I'd like to get out there and see it—

Hon. Mr. Parrott: We won't be building that kind of plant there. You have missed the concept of the plant; you have missed the concept, even. It was never to be a recycling plant; it was to be an experimental plant to demonstrate technology. Those were the terms of reference for that plant, and it has done a magnificent job.

If you are talking about a plant that will handle great volumes, then you would say the very same plant that I think has been a terrific success was an utter failure. If you put the wrong terms of reference on that plant you would judge it absolutely incorrectly. It is a great experimental plant, and that is what it was designed to do. It has taught us a great deal.

I can tell you of two or three instances where municipalities and these elected officials have come in and said, "Had we not seen you do this and that in your Downsview plant, we would have done this and made that mistake." As a matter of fact, that testimony is from the municipality of Hamilton. They saw us doing certain things there that they realized could not be done in their operation.

That is true of the plant down on Commissioners Street here in Toronto, as they develop core heating. They see it as having saved them literally millions of dollars. So we have a plant in Ontario that has much to do and has done a great deal to save municipalities.

But the basic question that has to be answered is whether you see the collection and treatment—if I can use the word—of solid waste as a basic responsibility of the government of Ontario, or as a basic responsibility of the municipalities of Ontario. That is the first question you have to ask yourself.

Mr. Cunningham: It is neither. It is the responsibility of the province, the municipalities and the private sector, and each and every citizen.

Hon. Mr. Parrott: We agree up to a point. It is the commitment of this government to

assist up to 50 per cent for any kind of energy recovery, resource recovery, plant, that a municipality will build. They are going to collect it. I am sure you want them to. Surely the only way a successful recycling, separation at the source, all of those things, will ever take off and be a really successful program is if that kind of responsibility stays within the municipalities themselves.

We'll help, and we'll help tremendously. We put that offer forward all kinds of times, and the sad part about it is we can't get any takers, not because the offer isn't out there but because the municipalities would take the way out called landfilling. You can hardly lay that at the doorstep of the Ministry of the Environment, province of Ontario.

We have put those offers out, we've built the experimental plant, we've done everything I believe is humanly possible to show leadership, and now the ball is clearly in the court of the municipalities. If they take the dumb way out of landfilling—and I have said this; I believe you were at one meeting of the Ontario Federation of Agriculture where you heard me speak as forcefully as I could about the foolishness of landfilling. I have never been a supporter of landfilling, never.

It's so important that you understand the position of the Ontario government and the leadership that has been shown. I only wish that you would then make that same kind of speech in the municipality which you represent and I would be there cheering you—I literally would—if you would say: "Why does this municipality not take up the offers of capital assistance, of energy recovery, of recycling, of all those things?" It is so important that the citizens of your municipality and every other municipality get involved in the task.

Mr. Cunningham: Our friends to the south have declared garbage to be a national resource, and it is. I tend to think that possibly more than moral suasion or offers of 50 per cent is required, especially in terms of guidance. If it means that you have to do that to protect good, valuable farm land and the Chippewa watershed, et cetera, I think that's your obligation. It's your obligation to people who are going to follow me.

Hon. Mr. Parrott: Are you saying, "Ban landfilling"?

Mr. Cunningham: I'm not necessarily saying, "Ban landfilling," because in Mr. Lane's constituency that might be the only alternative, and it just might be the only solution in smaller municipalities and in the far north end of my constituency.

What I'm saying to you in terms of major municipalities—and contrary to what some of your colleagues feel, I don't believe you do, Hamilton still remains a major municipality. I would think that would be an ideal situation for you to come in and maybe just for once—

Hon. Mr. Parrott: I have been there, Eric.

Mr. Cunningham: I know you have, and the application for that landfill site remains. It's been approved in the preliminary stages now; it is before one of the gentlemen in your ministry.

Hon. Mr. Parrott: Who is the proponent?

Mr. Cunningham: The municipality.

Hon. Mr. Parrott: You almost cast it as though we were in the ministry. You said our involvement. Our involvement was there as technical experts witnessing what was—

Mr. Cunningham: I won't go through the litany of the hearings, because quite frankly I was very disappointed with the way they were conducted.

Hon. Mr. Parrott: Then let's talk about that as a problem of the board.

Mr. Cunningham: It's not my function to get into that today, and I'm not going to waste the time of the committee, or yours, publicly at least, getting into that. What I'm saying to you is that the application for that landfill site, the biggest one in Ontario—and don't think for one 10th of one second that this won't be the precedent that is set and utilized and continued to be utilized for major landfill sites, not just small landfill sites in Fullerton, Ontario, or in Mr. Lane's constituency, or somewhere else—will be the precedent that will be used across Ontario. I believe it will be the worry of at least the early 1980s unless some political event takes place, that I'm not guaranteed will take place, to stop it.

Hon. Mr. Parrott: It won't change if you keep pointing, for whatever the reason—and I won't ascribe a motive—if you keep telling the provincial government they've got to change it. I tell you it won't get done. That should be on the heads of those who generate the waste, on the principle that the polluter pays. It is the citizens of those municipalities who have to come to understand the value of compost heaps, of recycling, of all the better methods than landfilling. They've got to understand it all costs money, and they won't if we give it to them, which is more important.

Mr. Cunningham: What do we tell the people in Glanbrook with regard to the possible disruption of their lives and the enjoyment of their property? What do we tell

them we're going to do to make sure that that's a good landfill site, if there is such a thing? What do we tell them and how can we justify to them that we're going to see a safe landfill site, when all we have to do is drive 10 miles to the south and take a look at that mess at the Upper Ottawa Street dump?

Hon. Mr. Parrott: Why don't you tell it to those people who should do something about it right today, right now?

Mr. Cunningham: I have to think, and maybe I'm naive although I shouldn't be after almost five years here, that with all the resources of this great government, after I don't know how many various ministers we've had and various speeches and commitments, publications on recycling and all the rest of it, with all the commitments we've had, all the resources we've got, if we can't somehow, in some way—you especially—convince the people of the region—

Hon. Mr. Parrott: You and I especially. That's my problem. If you expect me to be able to—

Mr. Cunningham: I want you to know this. There is not a single member of the Legislature representing the Hamilton-Wentworth district, not one single member—four of them NDP, two of them Liberal—who hasn't in some way or another done everything he possibly can to influence people down there.

Hon. Mr. Parrott: You've been totally unsuccessful.

Mr. Cunningham: You're right. And in that regard you and I are not at variance because you have been equally unsuccessful. The only difference between you and me is that you sign the cheques; you're in power and I'm not, and that may be a situation that may apply for some time.

Hon. Mr. Parrott: What do we sign cheques for on solid waste?

Mr. Cunningham: For the 50 per cent. Why can't you take this as a special situation and go to that municipality and say, "In view of the steel mills you've got here and in view of the can plants that are going here, the two glass companies, et cetera, in view of the continuing dwindling shortage of agricultural land in this community"—

Hon. Mr. Parrott: I have said that in your city. How long ago was it, Mr. Newman, when you and I were on the platform in Hamilton to address the Ontario Federation of Agriculture, and I think you were there, Mr. Cunningham?

Mr. Cunningham: No, I wasn't.

Hon. Mr. Parrott: If you were, I'm sure you heard me say almost word for word what you've said tonight. You and I don't disagree, in basic principle, about the importance of recycling, et cetera, as opposed to landfilling. But we've got to get that message through. And by you dumping this here—

Mr. Cunningham: I'm not dumping a thing.

Hon. Mr. Parrott: I'm afraid that's what comes through; that somehow or other, even though we've offered all kinds of information, all kinds of money, all kinds of incentives—gross amounts of incentives—even though we have experimental plants, even though we have some interesting and exciting possibilities of recycling in your community, can you tell me where? I'm not trying to be a smart ass. Are you aware of the Ontario Paper Company proposal or the Domtar proposal?

Mr. Cunningham: Actually, I have been aware of it, yes.

Hon. Mr. Parrott: How are you and I going to sell that to those communities?

Mr. Cunningham: I'll tell you how to sell it. Do you know how you sell it? You tell them: "Not one shovelful of land will be taken out of that dump site; no permit."

Hon. Mr. Parrott: That's impossible.

Mr. Cunningham: It's not impossible.

Hon. Mr. Parrott: There is no jurisdiction yet without some landfilling. Bad as it is, we need some landfilling.

Mr. Cunningham: That's right.

Hon. Mr. Parrott: We need good landfills, and it's sad to hear you contrast the Upper Ottawa Street site, which is—

Mr. Cunningham: I doubt you have many worse. Quite frankly, if my party and members of the NDP had not been involved in exposing the mess at that place, I doubt there would be charges today. Because it's sub judice, I'm not going to elaborate any more on it.

All I'm saying to you—and I've gone on 15 minutes more than I intended to—is this: You have the power, you have the ability. I would suggest to you if you deny the Hamilton-Wentworth region the ability to have that garbage dump there, in very short order they would have to address themselves to recycling, as you and I know it. Then we can start to work together. I'm sure we could work some kind of co-operative effort between the paper companies you have referred to, between the steel companies, between the glass companies, maybe between Ontario

Hydro as well, I don't know. But I know somehow among all of us we have the collective resources to see this accomplished.

[8:45]

Hon. Mr. Parrott: Can I tell you what we did with Hydro? I think a major accomplishment. With a direct communication personally, in person, with the chairman of Ontario Hydro he agreed to allow those plants that will use the wastes of our municipalities in generating stations to be plugged into the Ontario Hydro grid. That's a pretty big commitment. That's a matter of policy. Our Minister of Energy has a policy of his ministry that 3.5 will be from nonrenewable sources, part of that from solid waste, with a large amount of money sitting out there pleading for the municipalities to get into the act, because it is their garbage.

Mr. Cunningham: I commend you for it. All I am saying to you is this, if you said to the region of Hamilton-Wentworth, which dragged its feet and allowed itself to get in this mess in the first place, "We're not going to give you your permit," if Mr. Caplice said no, and then thereafter through the appeal process you showed some leadership and said, "No, no landfill there," maybe utilizing the interregnum until we can get a plant on stream—

Hon. Mr. Parrott: Whereabouts would you put your residue from whatever?

Mr. Cunningham: We'd find a place temporarily. What you are saying is that because the municipality has collectively dragged its feet for five years we're in a position where we have to allow it a landfill site for five years. That is exactly the game they have played on you, and I think it's disgusting, I really do. I think that if you said no to them, and you said, "Show some leadership, put your shoulder to the wheel and take a look at what other areas are doing and let's just everywhere, every possible way, see what we can do; bundle our papers, try to cut down to a bag per family or two bags per family, recycle where you can, have scrap days, et cetera"—we would have a hell of a lot less if we didn't have all of the junk we've had from the various ministers.

Hon. Mr. Parrott: Are you not aware that we have done those kinds of things, we've funded those kind of projects in municipalities. Are you not aware of that?

Mr. Cunningham: All I am aware of is that we are about to see the largest landfill site in Ontario in Glanbrook. That's all that I'm really aware of. While it's not my constituency, quite frankly it burns my rear end,

and I would hope that somehow you might show some leadership and go down in history maybe, before you leave this ministry, as the guy who said no to them, the guy who said:

"We're going to stop these things and we're going to start with the biggest one and we're going to start right now. Here's our commitment to you. We've got Ontario Hydro in line, let's talk to Dofasco and let's talk to Stelco about utilizing some of the recycled metals, we've got two glass companies there that we can feed some glass to, and the paper companies. Let's get this thing going."

I'm not an environmental engineer, but I can tell you this, I know it can be done. The only difference is that I'm not in power. If I had that responsibility I'd tell them to do it. Do you know what persuasion I would have over them? I wouldn't give them a damned permit, that's what I would do.

Hon. Mr. Parrott: Do you know what else you would find on your hands? If I had taken your advice, your party's advice, I would have closed the Upper Ottawa Street landfill site a year ago. There would be no place for the garbage to go and we would now have a year's supply of garbage on the streets of Hamilton, and you would be telling us to do something about it.

Mr. Cunningham: What did we do with our garbage before we had the Ottawa Street dump? In the township of Flamborough where I reside we looked after it ourselves. In Dundas they looked after it themselves.

Hon. Mr. Parrott: How?

Mr. Cunningham: They had their own landfill site.

Hon. Mr. Parrott: You mean that was somehow different?

Mr. Cunningham: This problem—and I'm going on, I'm being selfish here and I'm going to stop—this problem didn't occur overnight. We've known about it for years, and Mr. Newman had the foresight to make comment on it five years ago. What's been done since then? Nothing in my area.

Hon. Mr. Parrott: A lot by us, but zero by the municipality, and that's the problem.

Mr. Cunningham: Are you telling me for one 10th of a second that you don't have sufficient power to require them to do something? You do right now, you've got an application before you and you could say no.

Hon. Mr. Parrott: I took on the responsibility of liquid waste and as long as I'm the Minister of the Environment I tell you this, I will not take on the responsibility for this government of solid waste, waste in the municipalities. It's the absolutely wrong thing

to do. We'll never get people to understand the seriousness of the problem as long as they can put it on somebody else's doorstep.

Mr. Cunningham: You'll never get people to understand the seriousness of this problem as long as you allow them to bury it in the ground. That's the bottom line right there.

Hon. Mr. Parrott: Have you looked carefully at the kind of changes that have been put on landfill sites and the difficulty (a) of getting approval, and (b) the conditions that are put on those approvals, in just a very short period since Mr. Newman started down that road?

Mr. Cunningham: Glanbrook seemed to have got the approval in one year, very simply.

Hon. Mr. Parrott: Hardly.

Ms. Gigantes: What about the environmental assessment board hearing over the Peel regional dump, where they were supposed to have a clay liner? Who was it who waived the clay liner on that dump?

Hon. Mr. Parrott: I'm not familiar with that particular hearing. I don't know whether we have someone here who is.

Ms. Gigantes: Perhaps Mr. Kerr waived it. The environmental assessment board said, "Put a clay liner on your dump," and Mr. Kerr waived it, so we have an unlimited dump. I am just pointing out to you, Mr. Minister, that the record is not unblemished.

Hon. Mr. Parrott: I am saying to you that it is getting tougher and tougher and tougher to get landfill sites, and that's all Mr. Cunningham was trying to make the case.

Ms. Gigantes: Maybe you'd like to suggest that the environmental assessment board, when it orders a clay liner, should—

Hon. Mr. Parrott: Do you want that board independent or not?

Ms. Gigantes: Yes, that's right, and the minister overruled it.

Hon. Mr. Parrott: You're asking us now to take that hearing and, before it even gets to the director, make a decision. That's hardly an independent board.

Ms. Gigantes: We can't have it both ways.

Mr. Cunningham: Most of us know the composition of the board, too, and how you get on the board.

Ms. Gigantes: But when they're tough the minister has overruled them.

Mr. Cunningham: It seems that the major requirements in my area are to be the Huron State Farm Insurance agent and a campaign manager for your party. That's the major

requirement. It is in my area. Do you want me to name them?

Mr. G. I. Miller: Mr. Chairman, I recognize the difficulties the ministry is in and the difficult position that we have to get the garbage in the proper perspective but I think my colleague has made some good points tonight which could maybe well be utilized.

Going back to my own region, we have recycled an old stone quarry—not a stone quarry, a sandpit—and they are reclaiming that, and at one point in time it will be useful land again. But since I think there's only 19 per cent of class one and two land in Ontario, and we're taking 537 acres in Glanbrook township alongside the Chippewa Creek, the effects could be very devastating.

I have a letter dated September 6, 1979, and it's addressed to my leader. The contents indicate the Niagara region wants to take all the garbage from Hamilton-Wentworth, as well as Halton, the Niagara region does not generate enough garbage population-wise to generate steam for the two industries in the Niagara region. Would you care to respond to that, and is that factual as far as you are concerned?

Hon. Mr. Parrott: Would you repeat the question?

Mr. G. I. Miller: The Niagara region wants to take all the garbage from Hamilton-Wentworth, as well as Halton, the Niagara region does not generate enough garbage population-wise to generate steam for the two industries in the Niagara region, which I think is—

Hon. Mr. Parrott: That's easy. That's what I was saying. That's the kind of leadership that Mr. Cunningham has been asking me to take. How do you think those projects got on stream?

Mr. G. I. Miller: The question is: Why cannot you, as the ministry, and with the support of this House, direct that material to those areas where they can utilize it, rather than using good, class one and two land for this purpose?

Hon. Mr. Parrott: We have to be sure that those industries will proceed and have the facilities built that will allow that to happen. If it does, obviously that's the way we'll go.

Mr. Cunningham: They're volunteering.

Hon. Mr. Parrott: No, not quite.

Mr. Cunningham: Then what are they doing?

Hon. Mr. Parrott: They're willing partners.

Mr. Cunningham: That's what we're talking about. If we have to participate with

them I'm sure we can make some kind of arrangement.

Hon. Mr. Parrott: We are.

Mr. Cunningham: Then why are we going through this litany of argument about a proposed 500-acre landfill site in Glanbrook with these proposals right in the future?

Hon. Mr. Parrott: With the greatest of respect, the technology that you've put forward as the model of success has been a litany of failure; we don't argue that.

Mr. Cunningham: I'll just take it all back and say I'm not an environmental engineer and I don't have all the answers. That may come as a surprise to you.

Hon. Mr. Parrott: That's what we're doing with Ontario Paper; we are trying to find the answers. That's why we think it's such an important concept. That technology is not proved. There is tremendous merit in the thought. We hope it will work. That's what we are studying. That's why we're funding it.

Mr. Cunningham: Why don't we give it a try?

Hon. Mr. Parrott: We are giving it a try.

Mr. Cunningham: Do you know how you are really going to make it go? By saying no, and not giving them a permit.

Hon. Mr. Parrott: No, that won't work.

Mr. Cunningham: Yes it will. I say you have a predisposition already. As I said, there was a predisposition before those hearings took place.

Hon. Mr. Parrott: You're telling me that wishful thinking will make a plant separate some of the more difficult materials. That's baloney.

Mr. Cunningham: You knew two years ago we were running out of space to bury the garbage in that area. You knew a year ago the application was going to take place. If you had been out doing your job you would have found these companies that might have helped us get rid of some of this garbage, and we wouldn't be in the mess we're in today. Now you are in a situation where you have to bail the region out, and the only way you're going to bail the region out is to give them a permit, which is what I expect you will probably do.

Mr. Chairman: I can assume the minister and you are not going to settle this matter this evening. Could we turn to Mr. Van Horne, please.

Mr. G. I. Miller: Could I have an answer to the question asked, sir?

Mr. Chairman: You're on later on.

Mr. G. I. Miller: I know that. But I wanted an answer to the question that asked if that proposal were feasible.

Hon. Mr. Parrott: We're trying to determine if it is feasible or not by funding. Wes Williamson is here and will talk about that in detail.

Mr. G. I. Miller: The Niagara region wants to take all the garbage from—

Hon. Mr. Parrott: Ontario Paper in Thorold has such a large-scale proposal that if it is successful it will generate enough steam to supply that plant. But if it can be done, it will require more waste than the area can supply. We will need the waste from Hamilton, from St. Catharines, from a large district. We've got a fair dollar in that, and I wish Mr. Williamson would put on the record just how much money we're putting towards an understanding of that one technology.

But that's only one. We're doing the same thing, I think, in Mississauga.

Mr. G. I. Miller: But I think the crucial thing, Mr. Minister, is the Glanbrook site. It has already been approved. If we could come up with alternatives, then I think we will have made some progress in Ontario.

Hon. Mr. Parrott: We will not have that proved tomorrow or built tomorrow; it just can't be done. I am being hammered, as you well know, to close the Upper Ottawa Street landfill site. There is no alternative. It won't happen tomorrow that a new plant is built and proved. We are only in the conception stages of that plant.

Mr. G. I. Miller: What position is this plant in at the present time?

Mr. Williamson: We are about to select a consultant for a joint study. This is a shared-cost study between the Ministry of Energy, the Ministry of the Environment, the region of Niagara and Ontario Paper in Thorold. The cost of the study is approximately \$200,000.

Mr. G. I. Miller: When do you expect it to be in operation? It is not in operation at the present time?

Mr. Williamson: The study hasn't even started at the present time. We have done some preliminary work which is enough to indicate that a project such as the one we're talking about would appear feasible, both economically and practically. But we have to look into it in detail. That is the purpose of this study. This would provide sufficient information to enable a decision to be made to proceed in association with Ontario Paper. It is obviously not just a decision of the region of Niagara; it has to be a decision also of Ontario Paper.

Hon. Mr. Parrott: Would you tell us, Mr. Williamson, about the experiment in this area with refuse-derived fuel, and the one in St. Catharines, another proposal which I think is the one with Domtar? You might give the committee, if you will, some understanding of a multitude of areas where we are doing the kind of thing you call leadership. We are trying to demonstrate this, the feasibility of the downtown core heating project. All of that is on steam. That's a tremendous amount of leadership.

Ms. Bryden: Mr. Chairman, on a point of order: We have spent over an hour on what is really vote 2104. We had agreed that would be the last two hours of these estimates. I think all of that time has been used by the Liberal Party. I think they've had their one hour on vote 2104. Any further discussion of 2104 should be allotted to the NDP. But we were planning to do that tomorrow morning.
[9:00]

Mr. Chairman: In fairness, Ms. Bryden, I can't allow that to go. The other night we were here for two hours and it happened that your party took one hour and 35 minutes. Everyone has a worthwhile contribution to make. This is the difficulty we are finding ourselves in when we lay down a program that there are only so many minutes for seven of you to speak.

I have warned you before that the time you had was four hours in total and that I wasn't going to cut anybody off who felt he had a contribution to make. In a democracy I think that's the fair way to go. Whether it is a Liberal, a Conservative or an NDP member doesn't concern me; I take it in sequence according to the intentions members have given me of when they want to speak.

Ms. Bryden: But, Mr. Chairman, surely we should get back to vote 2103. We have been talking about 2104 for the last hour, and that is not on the agenda.

Mr. Chairman: Are you finished, Mr. Miller?

Mr. G. I. Miller: Before I yield, there are just two questions. I wonder what time you anticipate that plant could be in operation. Would the ministry care to comment on that?

Mr. Williamson: The study phase is likely to take at least 12 months. Even if it went ahead immediately and had approval, it has to go through an environmental hearing which takes time. The construction period would be at least two years.

Mr. G. I. Miller: Three years, two years?

Mr. Williamson: Two years minimum.

Mr. G. I. Miller: My second question is, why can't we use our existing stone quarries for landfill sites when the quarries are exhausted, rather than taking good agricultural land? First of all, once you establish that industrial waste going into these sites does not contain material that is going to be detrimental to the water system—

Hon. Mr. Parrott: You mean the leachate.

Mr. G. I. Miller: The leachate, yes. Then recycle the waste there, rather than taking good agricultural land. That's my final point, that recommendation.

Hon. Mr. Parrott: First of all, Mr. Miller, it is not close to being that simple. Some quarries are great, some are not. Mr. Turner is here and would be glad to address that problem if you wish, Mr. Chairman, on the use of the quarries. We're talking about how you assess a quarry as to whether it is potentially a landfill site or not.

Mr. G. I. Miller: I want to be fair to both parties, and—

Hon. Mr. Parrott: Maybe you would want to do that privately.

Mr. G. I. Miller: It would only take a moment. I suppose we might as well have it on the record.

Mr. Isles: The main problem with sand and gravel pits is they have very low attenuation ability for landfill sites and there is usually the large problem of ground-water or surface-water contamination. Lands that have more clay or loam, and a deeper water table, are preferable for landfill sites. Gravel pits have to be designed and engineered—liners, collection systems and so on. It is quite exotic and requires long-term maintenance, more than we would find in a better environment.

Mr. G. I. Miller: But are you aware, sir, that some are being used at the present time successfully?

Mr. Isles: What I am telling you is a general rule. There are particular sites that can be used; but, as I say, they have to be engineered and it is quite expensive and difficult. Using natural attenuation in the soils is the preferred method. This is recognized by most jurisdictions.

Mr. G. I. Miller: I think that's all for now, Mr. Chairman.

Mr. Chairman: Mr. Van Horne, and then Mr. Davidson.

Mr. Van Horne: I am going to start with an observation, Mr. Minister, and that is that earlier on you and my colleague were talking about sharing. I would submit to you that

there are things sent out on occasion from your ministry that really don't assist us a whole lot. I will be more specific at a later time rather than dwell on it now, but I couldn't help noticing that a few of your staff were chuckling when my colleague made reference to his four or five years in the Legislature. I would point out to those of your staff who in my view made a bit light of this, and I object very strenuously to that, that the role of a member of the Legislature is not particularly easy and particularly when you are in opposition where on occasion you don't have the resource to draw on, personnel resource, or the time, or whatever. If we are going to get anywhere in this era that we are in, this era of minority government, perhaps we are in need of sharing a little more and passing on information to all members which will assist us in our role in the Legislature and our role in our own communities.

Having said that, I want to go to a concern that I have and that is to ask a question about the need for, or perhaps you can elaborate on if it's already happening a great deal, co-ordination between your ministry and the Ministry of Natural Resources. I ask this in light of what is going on in my community right now.

There are a couple of events in my community that bring this need into focus. One is the Glengowan dam proposal. The other is the Greenway pollution control centre in my community. I would like to just deal briefly with the latter, the Greenway pollution control plant first. In this calendar year, 1979, a series of events have brought that plant and its ability to meet the needs of our community into some kind of focus.

The municipal employees' strike we had was a factor because of the shortage of manpower, with the administrative staff trying to accommodate the operation of that plant. The piling up of cake and so on, the burning at night, the incinerator breakdown, and then in the springtime the humid nights—the whole combination of factors led to a pretty sad, stinky situation mainly in my riding. Interestingly enough the plant is located in the centre west of our city and therefore affects the constituents of all three members, but with the predominant southwesterly winds it ends up more in my riding than in the other two.

So we have that problem. Now your ministry is investigating and within the last few days we have seen a little press clipping indicating that Mr. McTavish, who is or was here, indicated the ministry is reviewing the situation, and is doing some in-depth sampling and the report, interim or otherwise, will be

available roughly in December. I am sure the city fathers are looking forward to this.

However, it would seem to me, as it seems to a handful of members on our council and the citizens in the community, that whereas the two government bodies, i.e., your ministry and the city engineer's department, who were to have been working in some kind of harmony at this time, would seem to be at some distance from each other because all of a sudden it seems the ministry has said, "Hey, here is a problem." Many of the members of council indicated to me that aside from these other factors, that is the crisis of the strike and the piling of the cake, the breakdown of the incinerators and so on, there was no forewarning of this from the ministry.

Did something go wrong? That is a question I would direct to Mr. McTavish. Was there some kind of breakdown between the ministry and the city engineer's department? I think that's fairly critical when you carry the results of this to one of their possible ultimate conclusions and that is need for redesign, rebuild, addition to, or whatever, and cost sharing.

Are they, now, along with the many other municipal financial problems they have got, going to be faced with an additional cost factor which may not be too far away from them. It may be 1982 that they are looking at this, who knows? The question is, has there been a breakdown somewhere along the way.

I am, by the way, not asking these questions in isolation. I have consulted with the mayor. I have consulted with some members of council. I have also got a file relatively full of constituent calls and press clippings and so on. It's a fairly major concern. The question here again is did something go off the rails in the communication process between your ministry and the engineer's department. If so, how can that be resolved?

Further to that, when the report comes down, if there are recommendations in there indicating there is a fairly major capital project coming on stream to assist, at the same time will your ministry give some indication of the shared financing or shared cost in building, if in fact it is needed?. That's important to the city. That then goes back to the first question I asked regarding the need for some kind of co-ordination between your ministry and the Ministry of Natural Resources.

Tied into this whole problem with our sewage treatment in London is the environmental assessment project going on with the Glengowan dam proposal. I just want to touch on that briefly. I don't think it's necessary at this point to go into a whole lot of

detail on that but it is important because they are very closely tied in.

Hon. Mr. Parrott: It won't be less than 15 per cent. How's that for a quick answer?

Mr. Van Horne: I can't quarrel with or even debate the percentage simply because the main concern is that the city knows. It's important to the city fathers to know how they can plan more than one year down the road. That then again goes back to this question which was put to the Premier of the province (Mr. Davis) in a meeting the members of council had with him back in March, I believe it was, to discuss the Glengowan situation. The press reported this meeting with the Premier and some of the various ministry officials as a laugh because nothing was really accomplished other than they met each other.

Hon. Mr. Parrott: Wasn't it premature a bit to ask for that meeting?

Mr. Van Horne: If you take the correspondence from the Minister of Natural Resources (Mr. Auld) and his assistant, the member for Renfrew South (Mr. Yakabuski), I would guess you would have to say the whole process was premature. But the fact is, and you don't have to go much further than Tom Wells to find out, that the municipalities are very concerned about what in the heck is going on with grants and cost-sharing programs. The whole province outside of Metro, and perhaps including Metro, is concerned with government generally—not only your ministry but all ministries—because the municipalities simply can't put a handle on what their responsibility is going to be if they don't know what they are going to get from the government.

This Natural Resources correspondence dated October 4 from the minister is reflective of the apparent determination to say, "We will have to decide later," and if they are saying that, I hope they are saying that to you too. You, when you report to the city fathers, then can say honestly the 15 per cent you talked about earlier is maybe a conditional 15 per cent.

Hon. Mr. Parrott: No, the 15 per cent is a grant that we give to municipalities. On occasion, of course, we give up to 75 and that depends on a lot of factors but by and large—

Mr. Van Horne: It is quite a difference, 15 to 75.

Hon. Mr. Parrott: Basically it is to help those smaller municipalities because over the years the larger municipalities have built up their assessment base or grants from the government and we are now in the throes of

attempting to assist those smaller municipalities to come up to the standards that the larger municipalities most frequently are at. [9:15]

That 15 per cent is a change in policy and I think government should always have the right and I think you would want them to have the right to change policy. They have to announce it. They have to have time to have people adjust. At this time, I see no likelihood of it decreasing below that point. The 15 per cent grant would be the grant likely to apply. Certain conditions could alter it some. There could also be grants possible through the Community Services Contribution Program with the federal government, but we have to deal with an issue when it comes to hand.

As we're talking about the Glengowan dam, I trust you were in support of an environmental assessment?

Mr. Van Horne: As a matter of fact, if you go back through the correspondence on that file you will find a telegram that I sent indicating that I felt the dam should go ahead without the environmental assessment. That happened in either late December 1977 or early January 1978.

Hon. Mr. Parrott: You were the one who attempted some assessment?

Mr. Van Horne: Indeed. I felt it had been studied enough, in light of what information I had available to me, particularly from the—

Hon. Mr. Parrott: I'll bet another member of your party would not agree with you.

Mr. Van Horne: All right. You realize who was at the meeting? Mr. Edighoffer, Mr. Riddell, Mr. Walker, Mr. Peterson and myself were there.

Hon. Mr. Parrott: I wouldn't say Mr. Edighoffer was keen on that issue.

Mr. Van Horne: I believe there were three of us who sent telegrams. That's what I was told. I know the telegram I sent in support of the project, but I won't answer for the others because that's all I can tell you.

Hon. Mr. Parrott: I would hazard a guess that there were those who—

Mr. Van Horne: It could well be.

Hon. Mr. Parrott: —would not want to exempt that rather major flareup.

Mr. Van Horne: By the same token, if you want to bring that on the table, I could ask you about the number of farmers, not just in Middlesex county, but particularly two counties to the north which are, and have been, selling land to the Upper Thames River Conservation Authority. What kind of concern do

these people now have who may have been against it one or two years ago? I would submit that probably they haven't any concern, not having unloaded or got rid of certain lands.

Hon. Mr. Parrott: My in-laws and my classmates from high school days, whom I see on occasions, tell me there is a strong resistance. But that's another subject.

Mr. Van Horne: I can debate it too. My father was born at Thorndale on the banks of the Thames River. We can get into historical arguments with friends and classmates.

Hon. Mr. Parrott: No, but there are many who still want that assessment and some who don't.

Mr. McTavish: I'll try to answer the questions as I recall them, Mr. Van Horne.

First of all, I want to comment on our relationship with the city, and the odours at the Greenway plant. The odours at the Greenway plant have been a problem over the years. A control order was placed on the city of London to install certain control equipment, which was done.

Mr. Van Horne: Can I ask you a question? Part of my comments reflected an increase this year as compared with other years. Is it fair to say that the criticisms or complaints coming to you this year are greater, as they have been to me?

Mr. McTavish: Yes. We have discounted the period when the municipal workers were on strike because sludge was stored on the grounds of the plant and there were odours then.

Notwithstanding that, the odours were heavier this year. The city engineering department was of the opinion that the increased odours resulted from the construction that's going on at that plant right now. Our staff differed in our emphasis, I guess. We're of the opinion that it could well be more than just the construction that was causing odour problems.

We had a 24-hour call arrangement for the public to call in. We determined that whenever we were called we would go down and investigate and try to determine where the odour was coming from in the plant. It wasn't always coming from the area that was under construction. On that basis, we felt the city should be looking at more than just the sludge area that it was constructing. If there was a difference with the engineering department, it would be in that vein.

Mr. Van Horne: I'm sorry, you have to explain that to me. First of all, did the con-

struction reduce capacity? Did the engineer's department not make you aware of that? What are you saying?

Mr. McTavish: The construction, we were well aware of, was to deal with the sludge-handling facilities. It involved taking a roof off a building which allowed odours to escape from the sludge-handling facilities. We were aware that this would be a source of odours. But, in addition to that, we were of the opinion that there were odours from other parts of the plant. We wished to have the city look at more aspects of the plant than just that area that was under construction.

The city engineering department is in complete agreement with that now. We had someone from research do a study at the plant last week. He's worked closely with the engineering department of the city. The samples that he took are being analysed. We expect a report to be reviewed at the city engineering department in early December and probably presented to council during mid- or the latter part of December. I don't know whether there was a major difference of opinion with the city engineering department, but over that short period of time our emphasis was a little broader than theirs.

On the second question dealing with MNR and the ministry, as you probably recall, the Thames River basin study, which was issued in 1975, was a joint effort between the Ministry of Natural Resources and our ministry. It was in that report that certain guidelines for handling sewage of the various communities was outlined, including London. That is where the Glengowan dam was first pointed out as being a valuable tool, not only for flood control purposes, but also for assimilation of waste from the city of London. So we have worked closely with MNR in that regard.

The actual arrangements for the environmental assessment study was the conservation authority's report through MNR. So MNR is involved in the financing side of the study and works associated with the dam. Our ministry is quite aware of that and we, as a ministry, would be involved in any changes at the Greenway plant or any of the other plants in the city. They would make application to us like any other municipality.

I know their engineering department is well aware of that arrangement. But there is good co-operation with MNR. We have met with MNR and the Upper Thames River Conservation Authority periodically during the development of terms of reference for the environmental assessment. So there is good relationship and good communication in that respect.

Mr. Van Horne: I would guess, then, that the problem comes through the Ministry of Natural Resources, possibly in concert with cabinet, simply saying, "Look, we can't indicate to the community what the shared-cost ratio or percentages might be simply because it might, as Mr. Auld indicated in some of his correspondence, prejudice the case for the environmental assessment."

Mr. McTavish: I can't comment on financing of the study with MNR. I'm not familiar with it.

Mr. Van Horne: I appreciate the answers you have given and, at this point, I would have to revert to the minister to ask him, if at all possible, to impress on the cabinet the need for some kind of earlier information being passed on to the community.

Hon. Mr. Parrott: The financial costs of the assessment itself?

Mr. Van Horne: No, no, in the event that the Glengowan project went forward, what might the sharing be?

Hon. Mr. Parrott: Can you answer that more than what the sharing is, based on today's policy? I think government is always reluctant to say, "Five years from now our policy will be this, this or this." That would be grossly unfair to successive parliaments let alone successive years of financing with the same parliament. We know there is a pretty clear policy and commitment of what the funding mechanism would be if that project were approved today. If you feel that's uncertain, and if it is, then I think that question should be raised with the minister when he comes to his estimates. I think it's logical and reasonable to say, "Mr. Minister, what is your policy for the funding of major projects under the Conservation Authorities Act?"

Mr. Van Horne: Don't go too far down the line until you answer this question, Mr. Minister. Have you reviewed the correspondence between the city of London and the Ministry of Natural Resources?

Hon. Mr. Parrott: Relative to funding?

Mr. Van Horne: Yes.

Hon. Mr. Parrott: No.

Mr. Van Horne: Okay. I would submit, then, again without taking too much time with this committee, that you review it and then answer me, if you would, please.

Hon. Mr. Parrott: Why me? Why would it not be the minister to whom the authorities respond?

Mr. Van Horne: For the simple reason that the other ministry is not prepared at this point to say anything more. Yet I understand

from both you and Mr. McTavish that there is clear co-operation—

Hon. Mr. Parrott: But not in establishing—

Mr. Van Horne: I'm reading in part from a piece of correspondence from the mayor to Mr. Auld. "We want to know if Glengowan will be completed under the original grant structure if the project proceeds. Such a commitment on funding is not without precedence as your government did it twice previously on this project, first for engineering and secondly for land acquisition."

They go back to earlier correspondence in this letter—to correspondence from 1978 from Frank Miller, then Minister of Natural Resources. In that letter he states his intention to recommend to Management Board of Cabinet the retention of the old grant rate for the project.

You pointed out that you can't commit a later government or a later whatever to some funding program, but the fact of the matter is since 1943 your political party has formed the government here in Ontario and there has been a handing down from one parliament to the other of some of these long-term ongoing projects.

Hon. Mr. Parrott: Well, a continuation.

Mr. Van Horne: They are a continuation, that's natural, sure. It happens whether you are Liberal or Conservative or NDP or what you are. The point is that when we get into this correspondence, I can only submit to you that you review it, if you would, please, to see if in fact it's fair for the Minister of Natural Resources to say this now, keeping in mind your close liaison with them. It's very difficult in my mind to separate environment and natural resources.

Hon. Mr. Parrott: What I would never presume, and I am surprised you are asking me—

Mr. Van Horne: I am presuming because the two of you have some input into the Management Board of Cabinet somewhere along.

Hon. Mr. Parrott: I might have a great deal to say about how I think he should fund anything. That's the joy of sitting at that cabinet table, but certainly never in a public way would I want to commit the Minister of Natural Resources on a funding policy over which he will have the responsibility.

Mr. Van Horne: You are committing the government of Ontario.

Hon. Mr. Parrott: That's why I wouldn't want to do it. I don't feel at all confident.

Mr. Van Horne: I'm not asking you, I am saying, would you please look at this and appreciate the problems the municipality has?

Hon. Mr. Parrott: Certainly I am prepared to look at that correspondence, of course, because it's awfully close to home, if for no other reason. But I wouldn't be prepared to suggest this evening what I think their policy should be. I will look at the correspondence and I will be familiar with it.

Mr. Van Horne: Again, while you are doing that appreciate the city's frustration in this whole exercise.

Mr. Chairman: Mr. Taylor, you have one short supplementary?

Mr. J. A. Taylor: That's right. I had a supplementary and it was actually to do with Mr. Cunningham's statement.

Ms. Bryden: That was vote 2104 which we decided we were not dealing with tonight, Mr. Chairman.

Mr. J. A. Taylor: Well, we dealt with it.

Ms. Bryden: We've not heard from a single member of this party tonight and an hour and a half is gone. That doesn't seem fair to me, Mr. Chairman.

Mr. J. A. Taylor: Not by your timing, I mean with respect.

Ms. Bryden: We have had no time tonight. We are dealing only with 2103 tonight. We will have no opportunity to deal with it. There are three members here who wish to speak on it. There is an hour left and an hour and a half has been spent on the other question.

Mr. Chairman: Well, that splits the time, You ask your question.

Mr. J. A. Taylor: Yes, it was Mr. Cunningham's problem he had amply demonstrated earlier this evening. I think it is one of the really important issues, Mr. Minister. I appreciate what you have said in regard to the role of the local municipality and the responsibility of the local or regional municipality to take care of its landfill sites. Reference was made to the rural areas and it is very true that we depend entirely on landfill sites for the disposal of our municipal garbage.

[9:30]

The other day I complimented you, Mr. Minister, in regard to the tremendous job that the government has done, and you of late, in regard to water and sewage facilities. But what really concerns me in regard to this area of waste is we don't seem to be making very much progress in regard to the utilization of that waste.

When I came into this House—and somebody was snickering about five years; well, I came in in 1971, which isn't that long ago I know—but it wasn't long after that when we were talking about watts from waste. You may recall that yourself because you came in the same year.

What has been carried on really is an optical illusion. I believed after two or three years that we had a plant somewhere in the Metropolitan Toronto area producing electricity and power, or what have you, from the garbage of Toronto. I suppose you can get a certain amount of mileage by throwing the dog a bone and he chews on that. You get news releases from here, there and everywhere, and this tremendous \$50 million project. Then not too long ago I discovered that that project had been scrapped.

As a matter of fact, I was anxious to visit the site, not only the site but go through the plant. That's how real the news releases and the story that emanated from the various ministries struck me. I believed that the thing was there. It's been a game of optics.

In the meantime, we have a plant, Hearst. You remember the Hearst plant? Again, it's utilizing garbage and wood waste and so on to generate power for industry and municipal government. Again studies; you pour a few bucks in and you get reports and years go by and still I thought, "Gee, this is a breakthrough. We are on the brink of something great here." Then I learn it doesn't seem to be economically viable.

Now there is a new project in the Metropolitan area again, where they are going to study some new scheme to accomplish what would be the same kind of thing. There are various ministries involved: your ministry, the Ministry of the Environment, Natural Resources, Energy and Industry and Tourism. If it's something good to announce you may get a news release out of it. If it's something else good maybe somebody else will grab a little publicity and so on. Who is shaking this thing to make something happen?

Mr. Minister, what I am saying is we need something to kick. We have to get one of these plants going and there is nothing new about it. If you want to visit them you can visit them. They are here on this planet, some functioning very well. I have toured one in particular that seems to take any kind of waste and is running very economically in a developed area where it doesn't prejudice or pollute.

Hon. Mr. Parrott: You mean an incineration type?

Mr. J. A. Taylor: Incineration, yes, and it produces electricity. What I am saying, Mr.

Minister, is we have to start putting some money into one of these projects because what you talk about are demonstration projects, as our demonstration. What I am suggesting to you is it's become all optics and you are losing your credibility. You have to do something. Instead of spending all that money on reports put something in that somebody can look at and see and put some garbage into it.

There are sites around here, I mentioned. I live in that beautiful piece of real estate you know as Prince Edward county, which is a veritable jewel and out on Lake Ontario. I have said that to you before, I am sure. You could cover that whole county—Belleville, Trenton—the same as I suppose Mr. Cunningham was talking about in the Hamilton area. The councils of that region were pressing at least a half dozen years ago to get some assistance and they were prepared to put up their money, because they had their own local disposal problems, to try to get a central plant where we could do something. It just hasn't taken place. What I am wondering, Mr. Minister, is how long you feel it would take to get something on the ground so that you can develop some policy for the province so that the local municipalities, regions and counties can play some meaningful role in pursuing that policy and doing something constructive in terms of disposing of the waste.

Hon. Mr. Parrott: I think the technology for burning is pretty safe and pretty known and it's the converting of that from a heat source into a useful product that is slow.

We are more than prepared to do that, like now. There's a lot of money that will go into this Toronto district heating project, which I think will do just what you are talking about, and they are burning a lot of garbage down on Commissioners Street. The conversion of that into steam and then converting it into heat into our Toronto core is not some figment of imagination. It is going to happen tomorrow. That is well under way and there are lots of opportunities for that.

I think again Mr. Williamson would like to talk a little bit more about how close to possibility is that use of some threequarters of a million BTUs per ton of garbage; I think that is correct. We must use it. I think we will be using it very shortly here in Toronto.

You would like to see, and so would I, a municipality with a unit burning garbage or recycling garbage that was a work-a-day system in a municipality. I couldn't agree with you more. We don't need more research.

Mr. J. A. Taylor: Because the plants are there, Mr. Minister, that's right. There have

been salesmen here year after year trying to sell you these plants, certainly from the US.

Hon. Mr. Parrott: Yes.

Mr. J. A. Taylor: In Europe they have been functioning for years. What I am saying is maybe the time has come to stop the development of more reports and start building one of these plants. That is what I am suggesting. We have got to get on with the job.

Hon. Mr. Parrott: I thought I had nearly accomplished it in the county of Grey where we had two members from one party and I thought maybe they would get together. I offered those two members 50 per cent funding to do just that, to stop landfilling. They had an application through. One was for it and one was against it. We met several times. We said, you are one city, one country, why don't we get together and do something other than landfill? There was no politics to be played in that particular situation; it was the same party. It came to the same bitter end, whether our party was involved or not. They just don't seem to want to go that way.

Mr. G. I. Miller: I thought they were proceeding with that proposal in Grey.

Hon. Mr. Parrott: That's news to me if they are.

Ms. Bryden: Maybe they need a bit more incentive.

Hon. Mr. Parrott: How much do you want us to put in? Are you telling us a certain per cent isn't enough?

Ms. Bryden: Well, it doesn't seem to be working.

Hon. Mr. Parrott: I agree it isn't working. Wouldn't you far sooner we put our efforts into liquid waste?

Ms. Bryden: We need both.

Hon. Mr. Parrott: That we took on this year. Surely—no, not as a provincial responsibility. Maybe you think it is a provincial responsibility. Maybe you think we can win by removing that onus from the local municipalities. I don't think we can. Maybe we have a basic difference in philosophy.

Ms. Bryden: You removed it in water and sewage, why not in waste removal?

Hon. Mr. Parrott: And we have removed it in liquid. I am scared stiff, if we remove it in solid wastes, that that disposable society will flourish beyond comprehension and we will all suffer.

Mr. J. A. Taylor: But you see, Mr. Minister, you need a lead ministry that is really going to do it, because everybody's business is nobody's business. You will find that nothing happens.

Hon. Mr. Parrott: I say it is their business.

Mr. J. A. Taylor: No, and I could give you examples. I remember not too many years ago one was to look after the waste from the forests in this province. God only knows, we have enough of it. I was interested in pushing a methanol plant. They need to clean up that stuff. There is lots of material there, and lots of people I am sure who would take on the work; lots of natural resources as well.

Our policy is not to have any forest fires so we are not going to have any waste. We are going to eliminate your source of supply. Well, that's great. I challenge them that way. I hope they are successful, but I bet you any money I'd be operating that plant a long time with the amount of waste with the burnt-over forests we have, stuff that's dead for one reason or another, that we could take out of there.

But I am saying, there are too many conflicting forces. You talk about a troika: it's a double troika because of the ministries involved and you are not pulling together so that things aren't happening that should be happening. As I say, the ministries then start playing the game of optics and it has become an optical illusion. We read the releases, then after five years we find the project has been cancelled because it is not viable for one reason or another. In the meantime a lot of the public believe this thing has already happened and that the plants are built.

Hon. Mr. Parrott: Would you share with us where you think the best illustration of this technology exists? Where have you seen that as a viable operation?

Mr. J. A. Taylor: Just outside of Copenhagen.

Hon. Mr. Parrott: What are they doing there? I haven't been to Europe.

Mr. J. A. Taylor: The garbage you wouldn't believe—everything from old cabbage to beds or lumber or glass, the whole works comes in there. You can go through that and it is a clean, neat, well-landscaped operation, pollution-free. They burn that and you go right through the whole thing, with the kind of boilers and so on they have and it's completely above board and producing electricity.

Mr. Cunningham: This man should be in the cabinet so he can help when the appeal comes because he obviously has more foresight than the minister.

Mr. M. Davidson: Mr. Chairman, I can assure the minister it is not because I have the patience of Job that I sat here for two evenings, but because I believe, as do a considerable number of people in the Cambridge

area believe, that we have a serious problem in the riding that the minister doesn't seem to feel is serious.

Hon. Mr. Parrott: That is just not so. We know what you are talking about.

Mr. M. Davidson: He doesn't seem to be prepared to take any form of action to alleviate the problem and, of course, I don't think I have to tell the minister what it is. It is the soil contamination in the Manchester Public School yard.

I am not going to do what one lady suggested I do, and that is bring a bushel basket of the local soil over to the minister and tell him to take it home and allow his children to play in it. I am not going to do that because I wouldn't want his children to suffer any ill effects, just as I don't want the children of Manchester Public School eventually to suffer any ill effects.

Some of the questions that have been raised, Mr. Minister, and some of the answers you have given, are in a sense a little bit, I would think, contradictory. In your statement the other day you say there is no question the levels of certain metals in the soil do exceed levels set by our phytotoxicology experts. The levels which they set do not indicate human toxicity. I am sure we are aware of that; we know the levels aren't human.

But you get into a situation, for example, where some of the levels in the metals existing on that school property exceed the phyto criteria as established by your own ministry, and which read as follows:

"Underlying zero to five-centimetre values are greater than phytotoxicology guidelines," and that is relating to soil. I am using your own report when I say this because if I read the report correctly, the figures used here are for soil contamination.

[9:45]

I'm not suggesting you're making light of it, Mr. Minister, but I am suggesting you're not taking the necessary steps to ensure that some of those children may not eventually end up with some form of disorder as a result of having to breathe in the dust that is created when one plays in a playground or a schoolyard such as this is.

I don't know how closely you've looked at that report that was made by your people. It's a pretty damning report, as far as I'm concerned, in terms of the contamination that does exist in that soil. I think it has to be pointed out to you if you're not already aware of it that the highest levels of lead that exist in that playground are right on the ball diamond, and the highest level of cadmium, even

though cadmium levels do not exceed the phyto criteria, is right in the sandbox playground area of that school.

I would like to read a couple of things to you to give you some idea perhaps of the difficulties that are faced by children who do in fact suffer from lead poisoning, for example. This one reads: "Eight-year-old Lori Wilson struggles to write the alphabet. After five minutes and just six scrawled letters on the paper she gives up in tears. She used to be able to recite the whole thing from memory. Now she has trouble remembering it, and it upsets her. She seems to be going backwards, and we don't know why." Another says: "Lonnie Bruss fears for his six-year-old daughter, Katina. I tell her to check to see if a window is open, and she comes back with a diaper for the baby."

Hon. Mr. Parrott: Is this report that you're putting on the record something that is occurring in your community or in another community with different levels?

Mr. M. Davidson: In another community.

Hon. Mr. Parrott: Would you identify the levels there?

Mr. M. Davidson: It doesn't give the levels, Mr. Minister.

Hon. Mr. Parrott: You don't know the levels?

Mr. M. Davidson: Just let me read what these effects can be.

Hon. Mr. Parrott: I want to know, as we're interested—

Mr. M. Davidson: I'm going to get to some of the recent medical evidence on lead.

Hon. Mr. Parrott: But you're putting it on the record here, and I want to know what that is that you're putting on the record. This is not in your community. This is in another community.

Mr. M. Davidson: This is another community. But it shows the effects lead can have.

Hon. Mr. Parrott: I think we all understand what elevated levels of lead in the blood can do.

Mr. M. Davidson: That's the first place you're making your mistake. The latest report, published March 29, 1979, in the New England Journal of Medicine, reads as follows: "Most studies have relied on blood lead levels to classify subjects. Because blood lead is a marker of recent exposure, it may return to normal levels even though exposure was excessive. Errors are likely to occur, therefore, if blood lead is relied on to classify subjects after exposure has ceased."

Hon. Mr. Parrott: Where would you suggest? In the dentine of teeth?

Mr. M. Davidson: That's exactly where.

Hon. Mr. Parrott: I've had a fair amount of correspondence with Dr. Nikiforuk on that. I would be glad to put it on the record, if you would like. I have been interested in the subject because the suggestion was made that the dental enamel junction was now permeated by the ingestion of lead through that junction, and that surprised me. It wasn't the knowledge that I had when I was at dental school. I think it hasn't changed that much in that interval of time. I have followed that up with a great deal of correspondence with probably Canada's leading expert, Dr. Nikiforuk.

Mr. M. Davidson: This is not by one expert. This is by one, two, three, four, five, six, seven, eight experts.

Hon. Mr. Parrott: I'm not arguing that case. I just want you to know I did take the time and effort to follow it up with what I think is as good an expert as Canada and the US have. He studied both here and at Southern Cal. He was our dean for seven years. He was a biochemist by initial training and then a dentist, so I think he's rather competent in the area.

Mr. M. Davidson: I'm not suggesting he's not. I don't know if you've had the opportunity of reading that.

Hon. Mr. Parrott: As a matter of fact, I have.

Mr. M. Davidson: Then you're aware that it does point out that "even very low levels of lead can cause impaired functions of children with high lead levels demonstrated"—and they're using their term "high," which, if you read the entire report—

Hon. Mr. Parrott: I think what you are reading was the result of a study done in another jurisdiction with exceedingly high levels.

Mr. M. Davidson: If you will allow me, I would like to read into the record some of the things that have happened to children.

Hon. Mr. Parrott: Put it all on the record.

Mr. M. Davidson: I am putting it on the record.

Hon. Mr. Parrott: But tell us where and what the levels were.

Mr. M. Davidson: This is in Kellogg, Idaho.

Hon. Mr. Parrott: What are the levels?

Mr. M. Davidson: I can't read the levels to you because they are not present. Just let me continue.

"Lonnie Bruss fears for his six-year-old daughter, Katina." I've read the part about his asking her to close the window and her coming back with a diaper.

"James and Pat Oberg had to put their two sons in classes for problem learners because they can't concentrate on anything or remember what you say to them." It goes on to say, "Medical experts have determined that lead can cause nerve, brain and kidney damage, and in high doses can kill you," which I'm sure we're all aware of.

Dr. Ellen Silbergeld, a national expert on the effects of lead in children, goes on to say, "Measuring lead in a child's blood after an exposure does not tell the extent of brain damage from the heavy metal."

We've had two children in that school in Cambridge out of 22 persons who were tested who originally, on the first test, indicated they had lead levels in their blood which exceeded the acceptable level as set down by the minister. They went through and had a further testing and were found normal.

The second testing was some couple of weeks following the first example. All the medical evidence I've been able to read, and I'm sure you've been able to read, indicates quite clearly that there was a certain degree of contamination that took place at one time.

I think that's what I'm trying to get across to you, Mr. Minister. There have in fact been children there—and it has been pointed out there have been children there—who did show excessive levels of lead in their blood. In the first test, two out of 22 did. That's a pretty high percentage, when you think of it.

There was no further blood testing carried out on other children in that school. The tolerance level of children is varied, which could very well mean there may be other children in that school who have excessive levels of lead in their blood. All I'm suggesting to you, as I've tried to suggest to you before, and which you and the Minister of Health (Mr. Timbrell) didn't seem to agree with, is that there should be established in that community a health clinic where these people can go and have their blood tested.

Hon. Mr. Parrott: Do you mean they can't?

Mr. M. Davidson: They can. You keep insisting they can go to their own doctor.

Hon. Mr. Parrott: I think it's not too bad a piece of advice. I suspect they have a lot more confidence in—

Mr. M. Davidson: What's wrong with the local health clinic?

Hon. Mr. Parrott: You're suggesting a whole new clinic to do something which is normally and could be readily done by a doctor.

Mr. M. Davidson: You could set it up for two days and make the parents aware that it's open, and if they're concerned they can take their children down there for testing.

Hon. Mr. Parrott: If I had my choice of going to a clinic or of going to my own physician who would relate the evidence on the basis of the samples and the tests he took, I'm sure I would choose my own personal physician to do that service for me over that of a public clinic.

Mr. M. Davidson: But there's a fault in that. If every child goes to his own individual doctor, you'll never be able to establish, unless they all get together and discuss it, the number of children who might possibly be contaminated in that school. If you do it all in one place, and all the blood levels are tested by one or two individuals and a record is kept, then you would have an idea as to whether or not—

Hon. Mr. Parrott: We did that on one occasion.

Mr. M. Davidson: Two out of 22, five of them were teachers, and everyone knows that children are more affected by heavy metals than adults.

Mr. Cunningham: What about other children who use the yard?

Mr. M. Davidson: You're well aware of that. Let me tell you one of the reasons some of the people down there really don't feel too secure in some of the things you're saying.

In the Kitchener-Waterloo Record of Friday, June 1, 1979, in an article written by Cliff Kenyon, whom I suspect spoke to Dr. Max Fitch, Dr. Fitch goes on to say, "Although it is almost impossible that levels discovered in the playground at Manchester Public School could affect students, a clean-up would be a logical safety measure."

The K-W Record of June 4, 1979: "A Ministry of Labour doctor has recommended that school grounds be cleaned, and contaminated soil removed."

The K-W Record of June 23, 1979: "Environment Minister Harry Parrott said Friday his ministry is considering removing earth from a Cambridge schoolyard where blood tests on two children have shown high lead levels."

Hon. Mr. Parrott: Can I check, too, for the record? How many would you have expected might have attended that original clinic?

Have you any idea? You seem to have a lot of information there. There were 22 only that attended the clinic?

Mr. M. Davidson: No, they didn't attend the clinic. They were picked, 22 people were chosen.

Hon. Mr. Parrott: No one else chose to have it done?

Mr. M. Davidson: I don't believe there was an option.

Hon. Mr. Parrott: Is that true? I think Dr. Fitch is here and might be able to shed some light on that.

Dr. Fitch: Dr. O'Heany is here and knows a little bit more about it.

Dr. O'Heany: The survey done by the local medical officer of health, and it is my understanding from talking to her that she chose children who had been at the school for four years. They were older children who would accept having blood drawn more readily, and she could only get 22 volunteers—17 and the teachers. I only know what she told me. She said that's all she could have.

Mr. M. Davidson: By way of supplementary, I think if I had time to to sort through all of this material I might be able—not to dispute what you are saying because you are telling me something someone else told you—I think you will find, if I can find out some of the quotes that have been made here, that they actually selected 22 persons, and you are absolutely correct, from the higher levels of class, those that had been at the school for a period of time.

Hon. Mr. Parrott: Are you saying that we by definition limited it to 22, we would only take 22, or are you saying that's all who wanted it?

Mr. M. Davidson: I am saying all the information that is available indicates that 22 were selected.

Hon. Mr. Parrott: I know, but that means we wouldn't take 23—

Mr. M. Davidson: I don't know.

Hon. Mr. Parrott: —or we couldn't get 23.

Mr. Duksza: You don't have a random sample, but you took just what you wanted to do to get the results.

Hon. Mr. Parrott: That is what you are interpreting.

Mr. Duksza: Not at all. That is not a scientific method. What the hell are you talking about?

Hon. Mr. Parrott: No, I think this is quite different. We are not quite certain whether we were limited by our rules to 22—

Ms. Gigantes: Maybe you should be certain

Hon. Mr. Parrott: I am not putting the evidence on at this time, I remind you. The member for Cambridge is.

Mr. M. Davidson: That is correct.

Hon. Mr. Parrott: We are not quite sure in that testimony whether or not we were limited, or indeed they chose to limit us. It is a pretty pertinent point that I would think you would know.

Ms. Gigantes: I would think you would know.

Hon. Mr. Parrott: I am not putting this evidence on the table. I am not being asked at this time. I will be glad to put what we believe the facts—

Ms. Gigantes: The member for Cambridge is not the Minister of the Environment.

Hon. Mr. Parrott: I am quite prepared to put on the record what we believe are the facts. I am trying to get from him what he believes are the facts.

Mr. M. Davidson: And I am telling you what I believe to be the facts, and that is it was a selective 22.

Hon. Mr. Parrott: You think then we said we would only test 22; is that what I am hearing?

Mr. M. Davidson: Whether you said that or who said that, I don't know.

Hon. Mr. Parrott: But somebody did, somebody from government.

Mr. M. Davidson: I don't know who made the selective number

Hon. Mr. Parrott: If that is true, then Dr. Duksza is absolutely correct, we did a very poor sampling procedure, and I think we should do it again. On the other hand, if all we could get was 22, then maybe the fault doesn't lie with the sampling technique, but—

Mr. M. Davidson: It is not just me saying that, Mr. Minister. It says in big headlines, "Bush Wants Blood Tests for Area Residents." Alderman Graham Bush, who represents that area, is also concerned.

Hon. Mr. Parrott: We didn't deny it, I don't think.

Mr. Cunningham: While we are on the subject, the member has asked about the samples that were done with regard to lead. In the test results that I got back pursuant to my request of May 25, the indications were—and Mr. Davidson has these results—the lead at all three sites didn't exceed what you regarded to be excessive in terms of soil from zero to five centimetres, but for the

other four heavy metals the amounts were excessive. They were excessive by ratios of roughly, with regard to zinc, 39:1; copper exceeded your excessive level by 18:1; nickel by 39:1; and possibly what is most significant, the presence of cadmium was at roughly a ratio of 7:1. I think cadmium is one that should concern us, as well as zinc.

[10:00]

I would like to know just what types of tests were done to determine the presence of these metals in the students and what assurances we have, especially with regard to cadmium, that there hasn't been some damage inflicted on the students, through ingestion or inhalation or whatever. Can we get an answer on this?

It is one thing to check for lead, and I know we are all very concerned about that. I think most of us are aware of some of the ramifications of lead poisoning, especially among our younger citizens. In view of the fact of the high ratios, in fact, the excessive ratios, incredible ratios of these heavy metals in soils that, Mr. Minister, are right adjacent to a schoolyard, your tests were done—and I am quite delighted to see that the tests were done adjacent to the schoolyard fence. It shows some objectivity on the part of the individual that did the testing.

Just the fact that in the three sites that were tested, right adjacent to the school playground, we would see ratios in terms of zinc 39:1, in terms of—

Hon. Mr. Parrott: I think they tested on the schoolyard, too, did they not?

Mr. Cunningham: They did. Make no mistake about it, these kids played by the fence, and in the way that particular property is constructed I believe they play on the property, as well. In terms of copper, 18:1, in terms of nickel, 39:1; and cadmium, which is particularly dangerous, the ratio was 7:1. Why is it that we didn't conduct tests for those heavy metals?

Dr. Fitch: I am sorry, sir, I don't really have any answer for that.

Mr. M. Davidson: Am I correct in understanding they used the lead levels in order to make a determination on all of the other metals?

Dr. Fitch: No, I don't think so. I think the question was raised of whether the children had excessive lead levels, and that was sampled for.

Mr. Cunningham: Dr. Fitch, if I could ask you—because I think you are in a position of a disadvantage—were you favoured with

copies of this report that indicated these excessive levels?

Dr. Fitch: They were received in my branch.

Mr. Cunningham: And would somebody in the branch not take it upon themselves, either the director or the southwestern Ontario director who is I believe located in your area, in view of these high levels the ministry has determined to be excessive in soils from zero to five centimetres, to take a look at the presence, the possibility anyway, of these heavy metals, especially cadmium which is particularly dangerous?

Dr. O'Heany: I don't have the report from the medical officer of health.

Mr. Mills: Our assessment of the report released by the medical people was that copper, lead and cadmium levels were within the expected maximum.

Mr. Cunningham: You know what I find particularly incredible? I write to your ministry, Mr. Minister, and I write directly. We don't do the tests on our own and we don't fool around. We write directly to your head of the industrial abatement, in Cambridge ironically. I indicate to him that I have been informed by a constituent. At the same time Mr. Davidson has informed you of this. I write to your official on May 25, 1979, and I receive an undated letter which was received in my office on October 15. It took five months to get this material. In view of the interest expressed by me, and I am sure the interest expressed by Mr. Davidson, we are not in receipt of this. We have not had our fears about—

Hon. Mr. Parrott: There is an attachment to that letter.

Mr. Cunningham: Oh, we have the attachment of the soil samples; but in view of our interest and the interest I think would be stimulated by the knowledge that the levels are excessive adjacent to a schoolyard, we are not favoured with copies, or total information with regard to what has gone on, what kind of tests have gone on, just what is going on in the schoolyard.

It is news to me—I have asked you in the House—it is news to me, and I am sure it is news to Mr. Davidson today, that there is no excessive level of cadmium. I'm delighted to hear that, that at least it would appear these children do not have excessive levels in them at this point in time. Why, in God's name, do we have to wait this long? Why do we have to find out here in the process of the estimates? Why couldn't we, in view of the

interest that we've expressed, been favoured with these copies? What's going on?

Hon. Mr. Parrott: You say you wrote to our regional office. I was aware of that interest much later than that. Mr. Davidson has raised the issue much earlier, that's for sure, but I'm afraid you don't get other information. You phone, you get lots of information. I don't remember to use our district and regional offices on many occasions. Rightly so. I encourage that. If you want some information, you pick up the phone and invariably you get it. That's as it should be.

Mr. M. Davidson: We still have Dr. Fitch here. I'd like to ask, back in June were you of the opinion that the soil at that schoolyard should be removed? You expressed it publicly in two articles in the Kingston-Waterloo Record.

Dr. Fitch: I don't think that's true. I may have been quoted as having said that. I recall having been called by a reporter. As you see, I still don't have too much intimate knowledge of this situation. At that time I didn't have any. I was called by a reporter and he or she—I don't really remember—asked me whether I thought it would be necessary to replace the soil in that particular schoolyard. I don't recall exactly the conversation but I believe that what I said was that if the levels were found to be high enough to present a problem that they would have to be replaced, because that has been done in other situations.

The other possibility that I mentioned was that I understood there was going to be some blood testing done. I said if it was found that the children's blood levels were elevated that that almost might be an indication for something. I certainly never said that the soil should be replaced, because I didn't have the information to say that.

Mr. M. Davidson: You're aware though that in the first sampling, lead contamination was evident in two of the students?

Dr. Fitch: Yes.

Mr. M. Davidson: Were you aware of that?

Dr. Fitch: I've heard that since. I didn't know that at the time.

Mr. M. Davidson: I'm sure you're also aware that lead levels sampled through the blood can go up and down.

Dr. Fitch: Yes.

Mr. M. Davidson: Would you agree that on at least one occasion two of those students had lead levels in them which exceeded the acceptable levels for the province of Ontario?

Dr. Fitch: I understand that that's the case, but since I don't know the circumstances I don't know whether the children were removed from exposure. It seems rather odd really that there would be a difference in their levels, unless there was some difference in the amount that they were being exposed to.

Sometimes there are laboratory errors. I don't know whether that was the case here or not, but it would certainly be surprising, particularly if these were older children, if their levels were high on one occasion and then within a few weeks were low. That would be rather unusual.

Hon. Mr. Parrott: I thought I read somewhere that the description of the high-versus-low argument that they were marginally above.

Dr. Fitch: Yes, I think the figures were in the low 30s.

Hon. Mr. Parrott: When you have a test that is marginal would it be normal to double-check your test?

Dr. Fitch: They were checked.

Hon. Mr. Parrott: That's sort of a normal practice. If you've got a test that's excessively high you're likely to accept that as the final diagnosis on any test. If you've got a marginal test, you'd likely recheck your test for a margin of error. Is that normal?

Dr. Fitch: Yes.

Hon. Mr. Parrott: I don't know.

Ms. Gigantes: Take more tests. He said two of 17.

Hon. Mr. Parrott: Yes, take more tests.

Mr. M. Davidson: Thank you, Dr. Fitch. I'm going to accept your word that you didn't actually say what the newspaper says you said.

Dr. Fitch: No, I couldn't have because I didn't have the knowledge on which to make such statements.

Mr. M. Davidson: Perhaps before you go then, given that you're probably more knowledgeable on this subject than anyone in this room, given that levels of metal, no matter what they may be, in some cases exceed the phyto criteria by, in the case of copper, 174 times the accepted phyto criteria in the province, and zinc 22.3 times, lead 3.3 times, nickel two times the acceptable levels; having that knowledge and given the fact that this report that I'm referring to was taken at 24 stations directly on the schoolyard, triple testing in each of the stations, and as I pointed out, some of the heaviest levels concentrated particularly right on the ball dia-

mond and in the sandbox area, in your opinion would it be wise to remove the soil in that schoolyard?

Dr. Fitch: This is something that we've never really got any hard facts on. I don't know whether it would be wise, whether it would do any good or not or whether it would make any difference.

Mr. M. Davidson: Do you agree those levels could pose a problem though?

Hon. Mr. Parrott: You're now doing it, I think, on the basis of health, are you?

Mr. M. Davidson: Certainly.

Hon. Mr. Parrott: I think we need some help from Dr. Linzon on the relationship of the phytotoxicology levels and the health levels. If I understood what Dr. Fitch was saying there, the hard facts of the interpolation from high levels in a phytotoxicology sense and health have never been made. Those hard comparisons have not been made, not in this jurisdiction nor any jurisdiction.

If we're going to talk about the damage to plant life, that's one thing.

Mr. M. Davidson: We're talking about children. We're not talking about plants.

Hon. Mr. Parrott: But you're inferring something here that is perhaps unfair.

Mr. M. Davidson: Surely it's what many medical people throughout the country are saying also.

Hon. Mr. Parrott: With respect, you're comparing apples and oranges here. You're comparing the levels that are too high for phytotoxicology acceptability in that soil and interpolating that into health concerns. They may be one and the same, but I'm suggesting to you that that is not necessarily so either.

If you're going to address it in a scientific way, you must attempt to be very careful. I'd like to hear Dr. Linzon's testimony on that.

Dr. Linzon: Linzon, phytotoxicology section, air resources branch.

The surveys were conducted on the school property and in the neighbouring vicinity. As you pointed out, the levels found in the soil were excessive by phytotoxicology excessive-level criteria, you might say.

We have established excessive levels for a number of elements in both soil and vegetation which indicate to us that they're considerably above what would be normally found under natural conditions remote from any industry. The levels found in rural areas or urban areas or near highways would be much lower than these excessive levels which we have established.

These excessive levels do not necessarily mean that they're medically toxic. They just indicate that they're excessive with respect to normal levels which may be found remote from industry. They've been established as a result of several years of surveys of the concentrations of these contaminants in rural and urban areas.

I'd like to point out these excessive levels do not necessarily mean they are medically toxic, but they indicate that an industry nearby has emitted more of that contaminant over the past which has contributed to the contamination. With this information our industrial abatement engineers can then go into the company and look for sources and try to correct the source of the emissions.

This is the purpose of these excessive levels, to indicate that there is contamination surrounding an industry. In this particular instance with this industry at Cambridge, our industrial abatement engineers did investigate the company and the company did install corrective devices, so that—

[10:15]

Mr. M. Davidson: I am well aware of that and I'm satisfied that the air emissions are—

Dr. Linzon: We have ended up with a residual contamination of the soil which occurred over many, many years and has been identified.

Mr. Cunningham: Are you laying any charges under section 42? I am just wondering if the public has subsidized all these tests—tests which were necessary. If you are not laying charges under section 42 and they didn't have a licence for this dumping, what good is section 42? They have dumped all their stuff in the back of their property. It has gone on to school property obviously, because it doesn't look as if it has come from anywhere else. Under what conditions do you lay charges under section 42 of your act?

Hon. Mr. Parrott: When we put an order and it's not complied with. They certainly complied with the order and I think you just heard the testimony that the emissions have been rectified. They are no longer emitting those kind of levels.

Mr. Cunningham: That's in the air, Mr. Minister. We are talking about the soil.

Hon. Mr. Parrott: If you're looking for charges on those, there is nothing at this moment to charge them with.

Mr. Cunningham: Can't you charge them for an offence in the past? You just sort of say, "Well done, guys. We are glad you have closed off this pipe that you put into this

trench that you never had permission to use in the first place. And, by the way, we have done a lot of testing here which has cost us a lot of money and we see now that we may have some children who have some problems and so on, but don't do it again."

Is that how it works? What purpose is section 42 of the act?

Mr. Chairman: Mr. Cunningham, in fairness, I think we have got to give the others a fair chance. You have had half of the time tonight.

Mr. M. Davidson: Mr. Minister, let me explain another reason why the people in Cambridge are a little bit concerned about some of the things that you are saying and some of the things that the people in your ministry are saying. We have a newspaper report, Kitchener-Waterloo Record, Friday, October 19: "An Environment ministry spokesman said in an interview the soil at the school is not contaminated." Yet you have the Kitchener-Waterloo Record of October 20 where Michael Caranci, who also works for your ministry, says there is no question that part of the schoolyard is contaminated. Two different people from your ministry giving two different points of view.

In addition, in the Globe and Mail on October 20, Mr. Caranci goes on to say, "That doesn't mean the ground samples are low enough. What is in the ground is residual and stays for years." That's one of your ministry people speaking. The people in Cambridge read that and it causes them a great deal of concern and then the answers you give are totally different from what your own people are saying and they are contradicting each other.

I don't know how I am going to do this, Mr. Minister, but my opinion is that soil should be removed and replaced.

Hon. Mr. Parrott: Have you called the owners of the company? Have you ever talked to them about that possibility?

Mr. M. Davidson: The owners of the company?

Hon. Mr. Parrott: Yes.

Mr. M. Davidson: No, I haven't tried. I don't know who the owners of the company are.

Hon. Mr. Parrott: Dominion Tack and Nail and the other company.

Mr. M. Davidson: Well, I suspect in both cases there is more than one owner.

Hon. Mr. Parrott: Have you made an effort to do so?

Mr. M. Davidson: I have met with the local union people.

Interjection.

Hon. Mr. Parrott: As a matter of fact, I have.

Interjection.

Mr. M. Davidson: I have spoken to the local union people and I have been getting copies of some of the reports.

Hon. Mr. Parrott: Of all of the time you have spent on this, you weren't obviously terribly interested. You haven't picked up the phone and made a phone call. I find it interesting.

Interjections.

Ms. Gigantes: You haven't picked up the phone—

Mr. Duksza: You are the one who is in charge.

Hon. Mr. Parrott: I will report on that in due course.

Mr. M. Davidson: I would like to ask you what you meant on October—

Hon. Mr. Parrott: You seem to have a lot of clippings there. You have a lot of clippings there, Mr. Davidson.

Mr. M. Davidson: I certainly do.

Hon. Mr. Parrott: I would have thought five of those minutes might have been well spent with making phone calls.

Interjections.

Hon. Mr. Parrott: You are dead wrong.

Mr. M. Davidson: It's your job.

Hon. Mr. Parrott: I wasn't making the comment that he should. I just asked as a matter of information.

Mr. M. Davidson: You asked me? No, I didn't. That's a very direct answer.

Hon. Mr. Parrott: A very general question.

Interjections.

Mr. M. Davidson: Perhaps, Mr. Minister, you can clarify for us then, if you would, part of the statement you made on October 23 which reads as follows:

"Because of the community concern over this issue, I have spoken with both companies. Despite the lack of evidence of a health hazard they appreciate that lingering concern may exist and they indicated they are willing to explore further action which might help alleviate any worries the community may still have over the children's safety."

Can you explain what this further action is?

Hon. Mr. Parrott: Yes, I have spoken to both of those industries and made the proposal that they remove the soil and bear the cost one third/one third with the school

board. That they would remove the soil would make a lot of sense.

They promised to get back to me. That was five days ago. They haven't. That was my proposal to them.

Mr. M. Davidson: So you agree that removing the soil makes a lot of sense.

Hon. Mr. Parrott: I didn't say I would order it.

Mr. M. Davidson: I didn't say you would. I said you agree though, that removing the soil would make a lot of sense.

Hon. Mr. Parrott: I said to them that I thought for good public relations, as the statement says there, they should very well consider it. They said they would and they said they would get back to me.

Now, that's five days ago. The one gentleman was able to make a pretty strong commitment without going to his board. The other one wasn't, understandably so. He told me then it would take him more than a week.

Mr. M. Davidson: Do you have an estimated cost of what that would be?

Hon. Mr. Parrott: I have an estimated cost—

Mr. M. Davidson: Just a ball park figure I am talking about.

Hon. Mr. Parrott: —from one of the two people that I spoke to. It was \$10,000.

Mr. M. Davidson: It was \$10,000? That was my own estimate also.

Hon. Mr. Parrott: So we are pretty close?

Mr. M. Davidson: Yes.

Hon. Mr. Parrott: You see, that's what a concerned person should do.

Ms. Gigantes: Why did you go through this striptease? Why didn't you just say that at the beginning?

Hon. Mr. Parrott: I said it on—

Mr. M. Davidson: That doesn't clarify what they were planning on doing, Mr. Minister. That kind of leaves a very, very vague statement to the effect that—

Hon. Mr. Parrott: You asked me whether we were going to lay charges and I answered that question.

Mr. M. Davidson: I did not ask you if you were going to lay charges.

Mr. Cunningham: I did. I did and you should have told us then what you were doing. You never did.

Mr. M. Davidson: I am satisfied that Cambridge Brass, as it is now known, have in fact been—

Hon. Mr. Parrott: How do you think that got done?

Mr. M. Davidson: I know exactly how—

Ms. Gigantes: Like Salome with the dance of the seven veils—

Hon. Mr. Parrott: It got done through a control order.

Mr. M. Davidson: That's right. I understand that.

Hon. Mr. Parrott: I think some time you will find it in your heart to suggest that that was pretty good action on the part of the ministry.

Mr. M. Davidson: I am not denying that on the air emissions, but I am still concerned about the soil contamination.

Hon. Mr. Parrott: We are saying to you that there was no basis on which to lay charges. I made that point very directly in the statement.

Mr. M. Davidson: Well, as I said, I have never asked you to lay charges.

Hon. Mr. Parrott: I appreciate that.

Ms. Bryden: We are talking about the soil, Mr. Minister.

Hon. Mr. Parrott: And on the soil, we felt that we were not going to order that. There was no medical evidence to do so. I make it very clear in there that I think it would be good public relations on the part of the industries to do so.

Without hard evidence on the medical health hazard, I think I would be in a very, very poor position to order anything, but as we so often try to do in this party, we will take the quiet, positive approach to try to solve the problem. In this instance the approach was to pick up the phone, have a very, very co-operative response from both of the industries and on that basis, I expect to hear back from them. Now, if that doesn't go the second mile I find it very difficult—

Mr. M. Davidson: I am very pleased you took that action, Mr. Minister. I would think that that should be your role in this matter.

Hon. Mr. Parrott: I am not arguing it. I took the role. You can hardly argue with that. You tell me I should have done it. I have done it. What more would you ask me to do?

Ms. Gigantes: That's the fact. Two children out of 17 tested—

Hon. Mr. Parrott: We retested.

Ms. Gigantes: —have high blood lead levels and you retested those two.

Hon. Mr. Parrott: And not only that, we said that any of those parents—

Ms. Gigantes: That's better than 10 per cent of the kids on initial test had a high lead level, and you say there's no medical evidence. Good grief.

Hon. Mr. Parrott: Would you retest and retest and retest?

Ms. Gigantes: I would try a few more kids after 17. What are you doing testing teachers? Do they play in the dust?

Hon. Mr. Parrott: I would like to clear the record on whether that was our limit or their limit.

Ms. Gigantes: That we should know too.

Hon. Mr. Parrott: That I will find out tomorrow. But it isn't very clear. There is no one putting that very clearly on the record. I'll be finding that out about 9:30 tomorrow morning.

Mr. M. Davidson: The only information I can give you is it says, "With the permission of parents, blood samples will be taken from some students by the Waterloo region health unit."

Hon. Mr. Parrott: We'll find out for you.

Mr. M. Davidson: If it was their limit or our limit.

Hon. Mr. Parrott: I'm amazed that we said we'd only take 22. I could be wrong in that, but I would be surprised how we reached the magic number of 22. It's a very unusual number.

Mr. M. Davidson: Just before we finish, Mr. Minister, I know that you're relating the fact that no one has shown up sick; that no illness has occurred as yet as a result of the contamination of that yard.

I don't know if you read the article in the Globe and Mail of October 23, but it goes on as follows: "The ministry, in other words, appears to intend to wait for somebody to get sick before it insists on the removal from a schoolyard of what it knows to be a dangerous material." Mr. Minister, I know you're trying to work out a solution to the problem in your own way and that you're not going to order these people to leave.

Hon. Mr. Parrott: Because I really don't have the grounds on which to do so.

Ms. Gigantes: You're going to try and get it now, aren't you?

Hon. Mr. Parrott: We certainly will.

Mr. Cunningham: You're very lucky. You're lucky nobody is sick.

Mr. M. Davidson: I'm hopeful, as you are, that both of these companies will see fit to recognize their responsibility in this situation and they will, in fact, voluntarily go along and have that soil removed.

Mr. Chairman: Are you finished, Mr. Davidson?

Mr. M. Davidson: Yes.

Mr. Chairman: Dr. Duksza.

Mr. Duksza: I wanted to ask the minister—and I was just given the notice now—about the pollution problem in the Junction Triangle area, which is in my riding. I doubt if we can do very much at the moment. It's a similar question. Can you be prepared tomorrow for me to ask the question. I would like to know what the minister has been doing.

Hon. Mr. Parrott: Did you receive a copy of the letter I sent to Mayor Sewell on that item?

Mr. Duksza: No.

Hon. Mr. Parrott: I think there are four or five pages. I'll send it to you and it may answer all your questions.

Mr. Duksza: That's fine. May I have it then, if possible?

Hon. Mr. Parrott: You'll have it tomorrow morning at 10 o'clock.

Mr. Duksza: Before 10 o'clock? Fine, because I will not only have questions on this—and the letter may answer them, you're quite right—but I've done certain studies myself and I will have other questions as well. We can do it tomorrow.

Mr. Chairman: It's understood now, Dr. Duksza, you'll have the floor starting at 10 o'clock tomorrow morning. There's an hour and a half left on these estimates. The committee ordered the presence of two Hydro officials here tomorrow and to make sure they'll be here at 11 o'clock. So I would ask the co-operation of all committee members to be here at 10 o'clock.

Ms. Bryden: We still have an hour and a half.

Mr. Chairman: We're finished at 11:30, so I would ask them to be here.

Ms. Bryden: Then I hope that I will also have some time under vote 2104.

Mr. Duksza: If you have it now it may save a lot of time.

Ms. Bryden: Mr. Chairman, are we sitting on Bill 24 on Thursday night? That has to be decided, I think.

Hon. Mr. Parrott: I have to do a little homework tonight. Tomorrow, at 10 o'clock, I may wish to serve the proposal for the amendment. I'll try to do that. I know staff have done a lot of work on it in the interval. I haven't seen it but I'm going to try and see it now.

There are two things I've got to do now. If I can give it to you tomorrow morning, Mr. Chairman, I will.

Mr. Chairman: It's important that I know a day or so ahead, Mr. Minister, because there are people not associated with the government who want to be present.

Hon. Mr. Parrott: I'll tell you at 10 o'clock tomorrow morning.

Mr. Chairman: Fine, thank you.

The committee adjourned at 10:30 p.m.

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No. R-22

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of the Environment



Third Session, 31st Parliament

Wednesday, October 31, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, OCTOBER 31, 1979

The committee met at 10:08 a.m. in committee room 2.

ESTIMATES, MINISTRY OF THE ENVIRONMENT (concluded)

On vote 2103, environmental control program; item 2, industrial abatement:

Mr. Chairman: The meeting will come to order if all parties are represented.

Dr. Duksza, you were speaking last and are first on.

Mr. Duksza: Mr. Minister, I thank you very much for the letter you gave me. It actually allows us to discount certain things we were going to deal with. I will attempt to zero in on important things.

I would like to read your statement, because it sounds as if my case will depend on it. You say in the letter you sent to Mr. Sewell: "In conclusion you will note that positive abatement action either has been taken or is under way at all the industries with identifiable emission problems. The environmental difficulties which are apparent from the survey of 545 householders in the Junction Triangle area are largely the result of land-use planning in the area. When houses are placed in such close proximity to manufacturing plants, a certain amount of odour will emanate into the community, regardless of the level of abatement activity undertaken by industry.

"I can assure you, however, this ministry will continue to require control programs containing the most up-to-date control technology."

The point I am going to make, brought originally by questions from Mr. Gaunt and myself last session in respect of Anchor Cap and Closure Corporation of Canada Limited is not that the odour is the major problem. Altogether there are seven companies, I think, but I am not going to deal with any of them except Anchor Cap. I believe the emissions from that company are more important than the odour of which people complain.

I will now go to the survey conducted early in the summer by the Junction Triangle anti-pollution group in which, as you are aware, we interviewed 545 households in the area. Some of them live very close to Anchor

Cap and Closure Corporation, but some do not. Specifically, the illnesses of the people identified, which we attempted to compare with their own experience when they lived somewhere else or with the average number of medical problems that occur in any area, were not related to odour at all. All were related to irritation to the bronchial system, to the eyes, nose, throat and other things. I will list what they said:

Frequent coughing and sneezing were complained of by 48 per cent, which is much higher than the average in other parts of town. Constant eye irritation was extremely high; 40 per cent of the people complained about that; frequent colds, 39 per cent; breathing difficulties, 31 per cent; unusual tiredness, 30 per cent; and skin irritation, 21 per cent. As you will notice, none of them particularly complained about the odour. All complained about very specific problems pertaining to the respiratory system.

Mr. Gaunt's question and mine that followed afterwards dealt with the possible xylene emissions from Anchor Cap and Closure. High concentration of xylene causes irritation to eyes, nose and throat, gastrointestinal and neurological disturbances and injury to the heart. It is possible, as it says in one of your own releases, that the chronic toxicity is not well defined due to benzene as an impurity in commercial xylene. Xylene is less toxic than benzene.

I have about five questions. I will start with the first one. Have you done intensive studies to show that there is no xylene in the emissions from Anchor Cap and Closure?

Hon. Mr. Parrott: I will have turn to some technical help here. Mr. Armstrong will take the microphone.

Mr. Armstrong: There is xylene in the emissions from Anchor Cap. The control order requires incineration to destroy these emissions by the end of this year.

Mr. Duksza: I understood that actually they have been given until June 1980 when they institute a new system.

Mr. Armstrong: That is for the plastisol or their particulate emissions.

Mr. Duksza: When lacquer is incinerated, xylene is produced, I take it. Am I right?

Mr. Armstrong: Xylene is a solvent used in—

Mr. Duksza: It evaporates, I take it, or it is used and it gets into the emissions.

Mr. Armstrong: That's correct.

Mr. Duksza: When I asked him the question four months ago, the minister really did not understand that the blue smoke has an acrid smell, but the acrid smell itself is not important. It is a fact that it affects one's eyes. If one is not used to the area it affects the eyes quite early on. You say its effect is almost immediate. It is a blue acrid smoke that Anchor Cap produces. It cannot be seen all the time; it is dependent on the weather. It is that which has xylene in it or benzene; I am not sure.

Mr. Armstrong: There is no benzene.

Mr. Duksza: So it is the xylene itself. I relate the emission of xylene to the high degree of respiratory system problems people in the area have. Have you also conducted your own survey of the health problems in the area?

Hon. Mr. Parrott: We have identified what the perception is, but that is quite another matter from knowing what the problem is. We know what people think is the cause; that doesn't mean that we know the cause or, with respect, that they know.

Mr. Duksza: Excuse me, your ministry does know. It is xylene. We have given you a fair amount of evidence over the last two years that there is a health hazard due to the xylene from Anchor Cap and Closure.

In response to my question earlier, you denied it. You said it isn't. I now have definite confirmation that there is xylene in the emissions and I have confirmation on this reasonably well-conducted study which showed that up to 50 per cent of the people in the area have some kind of respiratory problems, which we do not think are just related to normal respiratory problems, but are related to xylene emissions.

[10:15]

Hon. Mr. Parrott: I don't think you are quite prepared to say the xylene is causing the respiratory problems, are you?

Mr. Duksza: Oh yes, I am, actually. I'm saying to you—

Hon. Mr. Parrott: You are prepared to say it, but are you prepared to prove it?

Mr. Duksza: Mr. Minister, this is why we are discussing this at the moment. The Junction working group has done the study. I participated in it. We have had consultation on the questionnaire. We have allowed for

certain controls in it to determine whether the respiratory conditions are due to some kind of emission. We cannot say it is xylene, you are quite right; all we know is that xylene is present in the air. The logical conclusion is to say this is what produces the problem. It is this that I am saying you have ignored.

Hon. Mr. Parrott: We haven't ignored it.

Mr. Duksza: May I point out to you that in your letter to the mayor of Toronto which dealt with it, you simply said in so many words that there is an order and that if you live close enough to a plant that's too bad. That is not what I am talking about. Would you like me to read your letter again?

Hon. Mr. Parrott: No. I have it right here.

Mr. Duksza: Good. Read it then.

Hon. Mr. Parrott: I think the conclusion says that one of the historical problems of our society is that we have allowed housing and industry to coexist too closely together. It is a fact of life; it wasn't an excuse. It is so obvious that many problems in our society we are now trying to deal with are caused by the lack of buffering zones between industry and housing. This arrangement seemed so logical 30 or 40 years ago and seems so illogical today. We have to live with that fact of life.

Mr. Duksza: It is a fact of life for the city of Toronto.

Hon. Mr. Parrott: It goes for everybody.

Mr. Duksza: But there are certain things that are acceptable, Mr. Minister, and that are not.

Hon. Mr. Parrott: People build all kinds of homes besides railway tracks with trains going by all day long creating noise way above the acceptable level. Now we are building walls to change the noise impact. It was because we just didn't put in enough buffer zones. That's all that concluding paragraph is trying to say.

Mr. Duksza: But your concluding paragraph does not deal with the fact that is now very clear: that there are xylene in emissions from Anchor Cap and Closure Corporation which are deleterious and affect the health of the residents. And not all of them live next door to Anchor Cap. We are talking of 20 polls—545 households, which is half of the households in the area. We are talking of a much greater number of people if you multiply the household by four, five or six.

There are a fair amount of emissions and they spread. It is not just those living next to it who are affected. And they can't very well move; they live there

Hon. Mr. Parrott: Wouldn't you agree with me that if you did that kind of random survey you would not be surprised to know that 39 per cent of people say, "Yes, we have frequent colds," whether they live in the triangle or outside the triangle?

Mr. Duktzta: But, Mr. Minister, colds are common; we all agree on that. But if you were to do a random survey of the respiratory problems across the city, the incidence would be lower than the results of our study. The complaints are more about coughing, sneezing, eye irritation, breathing difficulties, and unusual tiredness.

I am trying to make a jump and say this is all due to xylene, but there is now some evidence to connect the xylene and the physical problems. If you say it is all over, I am saying it is not. I put the ball back in your court since you are the minister. What the hell are you going to do about it?

Hon. Mr. Parrott: No, I won't be facetious. Dr. Fitch, may I ask you to come forward again and talk about these medical problems in relationship to the levels, whether those levels are extremely high relative to other parts of the city, or whether they are marginal? Do you have that information?

Dr. Fitch: I'm sorry, I don't have the information on the actual levels of xylene in that area. I don't know whether Mr. Armstrong has that or not.

Mr. Armstrong: They are marginally above our regulation levels. Perhaps you could comment on that, the 2,300 figure. They are marginally exceeded at points of impingement.

Dr. Fitch: Twenty-three hundred?

Mr. Armstrong: Yes, micrograms per cubic metre. That is the regulation amount. The levels are slightly above that on a calculated basis, per half hour.

Dr. Fitch: I can only compare that with the occupational exposure level, which has been established at 435 milligrams per cubic metre and that would be 435,000 milligrams. People working eight hours a day in such an environment are exposed to much more than a person would be living in the area of a paint plant where the concentration varies with the air movement and the wind movement. So although I don't dispute the fact there are odours in that area—in fact I know there are, I have been in the area myself and smelled paint-type smells—it seems to me very unlikely that the concentration of xylene that exists in that area could have any effect on anybody, certainly a short-term effect.

I don't think any of us can say what happens to people who are exposed to very low levels of substances in the air over long periods of time, but that is true for all the environmental pollutants.

Mr. Duktzta: But you would agree, of course, that prolonged exposure to any level close to our own standards is deleterious. Could you tell me something about the standards applied in other countries in terms of the allowable concentrations of xylene in the atmosphere, both in terms of occupational groups and in terms of groups who live next to sources of emission? Let's take Sweden, eastern Europe, or any other country you want to compare.

Dr. Fitch: I am sorry, the only figures I have at hand are the US figures, which are really pretty much a reflection of the knowledge of the whole world.

Mr. Duktzta: Are they comparable to your own standards here in the ministry?

Dr. Fitch: We are using the same figures.

Mr. Duktzta: Because, as you must be aware, in eastern Europe and other European countries, the allowable standards of xylene emissions are much lower. This is because of the concern that xylene, with its impurities or otherwise, may have not just simply deleterious but major effects, not only on the people who work with xylene, but on the area which has part of the fallout from it.

Dr. Fitch: As I say, I don't actually have the figures for the eastern European countries, but as a general rule—

Mr. Duktzta: They are about half.

Dr. Fitch: Their criteria are nearly always one-third of whatever the United States has and this has been consistent for years for almost all pollutants.

Mr. Duktzta: It may be consistent for others, but in the case of xylene their standards are much higher than ours. Maybe this is because there has been more work done, which you have not been as aware of here, on the possible deleterious effects of xylene. That is the point I am making to the minister—that he simply has ignored the fact that this is there and has not responded to the continuous pressure from the people who state it is in the atmosphere continuously.

He has not responded to my statement that there are more respiratory problems. And why should there be more unless there is an irritant in the atmosphere? That is the point I am making here. What is the next course to control this and why has he not responded before when I keep on saying to him that there has been a problem there and it has

been going on for a number of years? He hasn't been a minister for a number of years, but he has been minister long enough to have heard this over and over again. Anyway, it is confirmed from his own ministry. To Dr. Parrott, to you.

Hon. Mr. Parrott: The control order is on. We have heard that it is marginally above the regulation levels. I believe when the control order is in full force the emissions will be within the limits. We are continually told that certain standards are better someplace else. We are never told how well they comply, and we are never told where our standards are better than theirs. That's part of the process.

Mr. Duksza: In some cases, indeed, our system and the ministry's is better than others; no question. I have been in China and other places where the occupational health standards are much lower than anything in Ontario. That is not my point really.

The point here is that at the moment we have an action for a particular thing in a particular area, the Junction Triangle, with xylene emissions which can have a direct bearing on the physical health of the residents of the area. The attempt to control the emissions from Anchor Cap has been going on for a number of years now, and there is a final order for the end of December of this year and also another one for plasticiser in June 1980. But this has been going on for some time so there are certain effects on the health.

Do you think you, as the minister responsible, could not only make sure this thing actually goes through, but also produce a survey or offer of help to the people with physical problems?

Hon. Mr. Parrott: Do you mean in the treatment of their problem or the remedy?

Mr. Duksza: The treatment OHIP takes care of. Identification is more important. Precautions, information. If someone becomes sick they go to see a physician. It is too late then really. Prevention is much more important. You can do it in two ways: one, the individual; two, an attempt to control it through orders to the company.

Hon. Mr. Parrott: We are certainly going to enforce the order and we are going to give it an opportunity to see whether that is sufficient or not. Then we will make a decision relative to the second part of your question.

Mr. Duksza: You are going to insist then by when?

Hon. Mr. Parrott: I think we have to have the requirements of the order fully completed

before we proceed with the second part of your question.

Mr. Duksza: What are the chances that this particular order will actually control the emission of xylene?

Hon. Mr. Parrott: That we will only know when it has been completed.

Mr. Duksza: How much time are you going to allow? What I am talking about now has been going on easily eight years.

Hon. Mr. Parrott: One date is December 30, 1979, and the other is some time in 1980, isn't it?

Mr. Armstrong: For the lacquer and lithograph the end of this year, and for the plastic June 30 of next year.

Mr. Duksza: The orders you have insisted they implement and the particular installations of the particular machinery will control it, in your opinion as an expert?

Hon. Mr. Parrott: Yes.

Mr. Duksza: It will. How much time are you going to give them to check this? They are supposed to install it by the end of December. Do you know if they have taken any steps towards this? This is now virtually November. I don't think they have actually.

Mr. Armstrong: I don't believe there has been a lot done there.

Mr. Duksza: So what do we do if they don't do it?

Hon. Mr. Parrott: We will take them to court.

Mr. Duksza: You take them to court. What happens in between to the residents?

Hon. Mr. Parrott: How much more can any human being do? You put an order on them. They fail to carry it out. Then you take them to court. If they are successful, obviously we are wrong. We win a lot more than we lose.

You only have two avenues open. I don't think you would expect anyone to put equipment in at public expense. It is their responsibility.

Mr. Duksza: It is your decision to make sure there is no xylene which affects the health of my voters.

Hon. Mr. Parrott: Sure. But what more responsible position can I take than to place an order and then take them to court? That is about as responsible in the enforcement of law—

Mr. Duksza: I take it this is as much of a promise as I can get at the moment. It is a promise from you as a minister that it will happen, since we expect that they will not

make an effort to obey that order to a great degree. By January or so, if they have not put it in effect, take them to court.

Hon. Mr. Parrott: That is the end not of my concern, but of my responsibility. My responsibility, and I think you would agree, is to assess the situation, determine what controls are required and place the order for those controls. If it is met, fine. Then reassess the emission problem, if it still exists. If it doesn't of course, file closed.

Mr. Duksza: If the Ministry of Health is responsible for health, then are you prepared to make a statement that now there is a health problem in the area and the minister should react?

Hon. Mr. Parrott: No, I am not prepared to make that statement.

Mr. Duksza: Are you going to do a survey then? Do you accept or not accept what we have presented to you as a survey? If you don't—

Hon. Mr. Parrott: I said I would answer that after we had some understanding of whether the control order was met and whether or not the emissions were still above our standards.

Mr. Duksza: But they are.

Hon. Mr. Parrott: We wouldn't do a survey on the health of it. The Ministry of Health would more appropriately address the health per se.

Mr. Duksza: Would you recommend it? It is your responsibility for control of the emissions, of air pollution. If there is a health hazard the Minister of Health may not even know it. Will you recommend they do a survey? How are you going to do it? Are you going to send them a letter? Are you going to phone and say, "Dear Dennis, there is a problem in Parkdale. Do something about it"? How are you going to do this?

[10:30]

Hon. Mr. Parrott: We have frequent contact, whether it's with the Ministry of Labour and our medical advisers and they in turn with the Ministry of Health directly through me to the Minister of Health. I think you're being premature in asking for that—

Mr. Duksza: After eight years I'm being premature?

Hon. Mr. Parrott: You're not being premature in asking for action, but you're being premature in asking for the third step when the first and second are in process. You've agreed with the first two steps. Let us let those work out and then ask whether the third step is necessary. We're not sure by

any means that it will be necessary. You and I both hope it won't be necessary—

Mr. Duksza: How can we know?

Hon. Mr. Parrott: —so give us the opportunity to see.

Mr. Duksza: Yes, you go ahead with what you have done. That's a step. But what about the existing health problems? If the company doesn't do it, if it fails, are you prepared to recheck since you doubt some of the figures the residents and I have produced for you?

Hon. Mr. Parrott: I wouldn't hesitate in recommending another survey as done in the first instance, but I am surprised you think that is a good survey. What's the medical term I'm searching for? It's the subjective—

Dr. Fitch: I must say that when I heard about this survey I happened to be dealing with somebody on Pollution Probe I was getting some other information for. I asked her if I could see the survey, particularly with respect to what questions were asked and what type of control was used. She said, "It's not really a health survey; it's just an attitudinal survey."

Hon. Mr. Parrott: That's the word I was looking for.

Mr. Duksza: It's not an attitudinal survey. I participated in the survey. It took up to 15 minutes to ask the questions. They were direct health questions, which included asking about smoking and about whether there were any hereditary diseases. People were quite willing to answer, in an attempt to differentiate problems directly related to pollution from problems related to hereditary or other causes.

We used to ask, "Did you have the same problems in other places where you lived before you were living here? Do you have more problems now or not?" We attempted to do it.

If you are dissatisfied with the methodology, since it was done by the residents and myself and Pollution Probe and other people, do a proper one yourselves. I'm telling you there is a problem there.

You cannot simply say this is wrong and you're not going to do it. We know the xylene is there and we know the physical problems. Why not do a survey which would satisfy the residents right now, if you don't trust me on this?

Dr. Fitch: I think one of the great difficulties is that this question of doing a health survey is something we're up against all the time whenever there's a question of any air pollution. I don't know of any way we could

—I'm not sure of what we would look for. What would we look for, Dr. Duksza?

Mr. Duksza: I can see certain things which you should look for. People suffer from a number of things. You have to control for age, for hereditary factors and for other factors in a random sample of people suffering from various illnesses. What we want to determine here—and it maybe should be applied to almost all other major pollutants and the people who live in the areas of major pollutants—is if there is a direct correlation between the emission of a pollutant and the incidence of particular health problems.

We do that in the factories. Maybe the minister should think of extending this to the community, since emissions not only affect the inside workers. They have problems of control because they are emitted to the residents outside. The health survey would show the prevalence of health problems related to various pollutants. That's what I'm asking him. Maybe it should become policy and specifically maybe you should try it in this area.

Dr. Fitch: We've certainly tried to come to grips with this problem. But we keep coming up against the same difficulty. I just don't know how we could make a correlation between the exposure individual people are having to xylene and the symptoms they have.

Mr. Duksza: The methodology is there for this type of survey. It's a question of the willingness to do it and devising a survey which is correct scientifically. It has been done.

Dr. Fitch: It has been done on some occasions—

Mr. Duksza: I know that, and you know that.

Dr. Fitch: —where people are exposed to significant levels of a pollutant.

Mr. Duksza: This gentleman said the emissions of xylene were above acceptable levels for the community. That goes on day after day, not just for eight hours.

Dr. Fitch: But the ambient air level for the community was set on the basis of odour, not on the basis of any health effect.

Mr. Duksza: The one I'm talking about is xylene.

Dr. Fitch: It was established in order to control the odour. It's a very low figure compared with any kind of occupational exposure; many, many times lower than the workers are exposed to. We have no evidence of the workers in those plants—

Mr. Duksza: That's the whole point. It's in the emissions through the stack, so it

affects residents much more than the workers. You're quite right. It affects the residents. That's the whole point I'm making.

It's no use saying we'll examine everyone at work, because they may not be affected by it. It goes directly through the chimney and spreads around the area. That is the point.

Dr. Fitch: But the workers are exposed to much higher concentrations than what comes out of the plant.

Mr. Duksza: No, not in that factory. If I'm correct it goes into the chimney system and out it goes. It's the residents who are affected.

Back to the minister.

Dr. Fitch: We'll certainly be looking at that further, Mr. Parrott.

Mr. Duksza: When you're looking further, what will you do?

Dr. Fitch: We're trying to determine some way that we could get a survey that would tell us something. That's our problem.

Mr. Duksza: Determine a way? That means you will do it?

Dr. Fitch: We've already had several small meetings internally, trying to determine some way of approaching this that would give results that would mean something. So far we've been unsuccessful.

Mr. Duksza: If you are thinking of a method of assessing this type of problem, would one of your people in the ministry come to meet with the working pollution committee of the Junction area? That's one of their preoccupations; where to go next at the health level.

Dr. Fitch: We'd be happy to speak with them.

Mr. Duksza: We could set up a meeting and you could tell us what kind of survey you are going to do and how to go about it.

Dr. Fitch: At the moment, we're not planning a survey because we don't know what kind of survey to do.

Mr. Duksza: All right. But you are prepared to come to the meeting and to discuss it and if there is a strong feeling and some objective evidence is produced that the survey needs to be repeated if you don't believe it, will you be prepared to do it?

Dr. Fitch: Yes, certainly.

Mr. Duksza: Do I understand his English correctly, since I have a problem with it? He said yes, he will do it?

Dr. Fitch: The year or the time?

Mr. Dukszta: He will do it? My problems are multiform. I'm not dealing with that. Will he do it? That's what I want to know.

Dr. Fitch: Yes. I would come to a meeting. Is that what you want to know?

Mr. Dukszta: Will he do the survey?

Hon. Mr. Parrott: Y-e-s.

Mr. Dukszta: Yes, to coming to the meeting or yes to repeating the survey?

Dr. Fitch: Oh, no. I wouldn't want to repeat this kind of survey. I said yes, I would come to a meeting. I certainly wouldn't want to repeat this kind of survey because I don't feel this kind of survey tells anything.

Mr. Dukszta: Don't do mine; do your own, since you are so very scientific about the whole thing.

Hon. Mr. Parrott: Mr. Dukszta, I'm surprised you don't see the difficulty of these kinds of surveys with your background. We know you can get attitudinal information, but whether you can get—

Mr. Dukszta: It's because of my background I know those surveys can be done and should be done.

Hon. Mr. Parrott: But not by just asking questions. I think you would be the first to say—

Mr. Dukszta: You start by asking the questions.

Hon. Mr. Parrott: Sure you do. The symptoms are equally as important as the signs. You're asking for a symptomatic survey rather than one by signs. I would have thought you and I would have agreed very quickly that the combination of signs and symptoms is far more reliable than the symptomatic—

Mr. Dukszta: Mr. Parrott, I didn't even dare to ask for a complete survey. Since you have brought it up, it would be better to do a complete health survey. Will you do that instead of what you call an attitudinal survey?

Hon. Mr. Parrott: That's the point Dr. Fitch is making. It's extremely difficult to do those.

Mr. Dukszta: The only difficulty is the question of willingness to do it.

Hon. Mr. Parrott: If you've got a specific thing you're trying to prove, it's extremely difficult to avoid putting that bias in the survey technique.

Mr. Dukszta: Our methodologists—

Hon. Mr. Parrott: You're starting from the premise that xylene is the cause. That's a dangerous premise to take on any scientific effort.

Mr. Dukszta: Let's do a proper study and see whether it's xylene or something else. I'm willing to grant you it may be something else. All I want you to do actually is what you say now is better to do; that is a more complete survey. Let's do a complete one and relate it to whatever is emitted.

Mr. J. A. Taylor: Why don't you retain the good doctor? He's a psychiatrist. He could work all that out.

Mr. Dukszta: You don't need a psychiatrist for that. All you need is willingness and a minister who is prepared to do a survey.

Hon. Mr. Parrott: I don't know why you cannot accept and do not accept—

Mr. J. A. Taylor: He can prove anything. It just depends what you want him to prove.

Mr. Dukszta: Yes, I am proving it. He is not doing it.

Hon. Mr. Parrott: Our responsibility and a job we have turned our minds to is the control of the emissions. I think you agree we are doing that and you were satisfied—

Mr. Dukszta: No, we were not.

Hon. Mr. Parrott: —if they do not control the emissions, we will take them to court. There was very little more that this ministry could do in that regard. We do all of that because we are concerned for the public health. That is the basic underlying cause. But I don't believe we have either the expertise or the mandate to do a public health survey. If you are asking me to speak to the Minister of Health about it, fair enough. We have heard from the Ministry of Labour about some of the medical problems associated with the survey. If you want a repeat of the attitudinal survey, you will—

Mr. Dukszta: This is not an attitudinal survey. Excuse me. It is not a—

Hon. Mr. Parrott: This is an attitudinal survey.

Mr. Dukszta: It is not, as you know. It is a symptomatic survey, if you like. It is not a signed survey according to your methodology, but it is not an attitudinal survey.

Hon. Mr. Parrott: With respect, I think—

Mr. J. A. Taylor: Talk to Dr. Stuart Smith, another psychiatrist, about that.

Mr. Dukszta: Mr. Taylor, don't interrupt at the moment.

Hon. Mr. Parrott: Would you suggest a royal commission? I might be open. I think in fairness this was more an attitudinal than symptomatic survey.

Mr. Dukszta: No, it is not.

Hon. Mr. Parrott: I don't think we asked—

Mr. Duksza: You are denying the physical problems among the residents which are higher than in other areas.

Hon. Mr. Parrott: No, I am not denying that.

Mr. Duksza: Well, don't call it attitudinal because it sounds like something fanciful. It is not. It is factual data.

Hon. Mr. Parrott: All right. Are you telling me—

Mr. J. A. Taylor: Mr. Chairman, this is becoming argumentative.

Hon. Mr. Parrott: You're right. You'd like me to retract the remark.

Mr. Duksza: Yes, I would. I want you to retract that.

Hon. Mr. Parrott: Just be less argumentative.

Mr. J. A. Taylor: Just be placid.

Hon. Mr. Parrott: I see. Okay. I think the commitment we've made is, at this moment, a satisfactory commitment. If you want a commitment on the health side, you should really address your remarks to the Minister of Health (Mr. Timbrell).

Mr. Duksza: Will you address the minister yourself about that and I will follow up?

Hon. Mr. Parrott: In due course.

Mr. Chairman: Are you finished, doctor?

Mr. Duksza: Thank you.

Ms. Bryden: We are running very short of time. My first question relates to our request yesterday of the minister that because we didn't have time to pursue further the whole question of what action the province should be taking on acid rain, that he give us a statement on the proposal made in 1975 as to how Inco might reduce its emissions to 1,500 tons. Do you have that statement here?

Hon. Mr. Parrott: Mr. Chairman, you will recall that last Thursday night Mr. Laughren very graciously loaned me his copy. Let me tell you, Mr. Laughren, the staff at the ministry was very impressed that I was so persuasive as to get my hands on that report.

Mr. Laughren: You will never have trouble getting me to share what I have.

Hon. Mr. Parrott: But we had previously. That's why they were so impressed. But anyway, let us be more serious.

Mr. J. A. Taylor: That's the trouble with the socialists, they have nothing they want to share.

Mr. Chairman: Continue, Mr. Minister.

Hon. Mr. Parrott: I'm almost through.

Ms. Bryden: Continue.

Hon. Mr. Parrott: May I start all over again and this time in a much more serious vein? I don't want to mislead Mr. Taylor down any bad paths here this morning.

You will recall that last Thursday night Mr. Laughren loaned me his copy of an April report he suggested our staff must have seen in 1975. We have been unable to find any record of this report having been received by the ministry and today I would like to state clearly what our files show happened in 1975.

In May of that year the company presented the ministry with a summary of a new proposal. It provided for the decrease of sulphur emissions from the Copper Cliff smelter to 1,500 tons of SO₂ per day. This was to be achieved by installing a 2,200-ton-per-day oxygen flash furnace for nickel concentrations, tight-fitting drums on the converters and the construction of a new 4,500-ton-per-day sulphuric acid facility.

The program was to cost approximately \$200 million and be on stream by 1980. [10:45]

Mr. Laughren: I'm sorry, not \$299 million? Am I wrong?

Hon. Mr. Parrott: I looked quickly and I think it is—

Ms. Bryden: Close to \$300 million.

Hon. Mr. Parrott: I'll amend this copy if you like, but—

Interjection.

Hon. Mr. Parrott: Well, what is \$100 million if there has been inflation?

The ministry staff attempted to evaluate this increase in emissions from their requirement of 750 tons by 1980. However, in September 1975 the company president informed the regional director that Inco wished to defer the earlier submission to allow time to re-evaluate the program in the light of substantially increased capital costs. This was before a decision could be made whether to accept or reject this proposal. We saw a summary, we were doing some evaluation, and then it was withdrawn.

Ms. Bryden: Mr. Chairman, while we would like to pursue this matter further, I think that since we only have an hour left and we had pretty well agreed that we wanted to spend at least an hour on 2104—

Mr. Laughren: Would you let me ask one question, Marion?

Ms. Bryden: Is it going to take you half an hour?

Mr. Laughren: No, no.

First of all I assume you will give me a copy of that letter this morning.

Hon. Mr. Parrott: Yes.

Mr. Laughren: Second, I did hear you correctly that they asked it be reconsidered because of increased capital costs.

Hon. Mr. Parrott: Yes.

Mr. Laughren: Not technical problems?

Hon. Mr. Parrott: Yes.

Ms. Bryden: What I was going to propose, Mr. Chairman, is that we certainly haven't finished with the subject of acid rain and the province's inaction on it and I would like to propose to this committee that we plan to ask the Legislature for permission to meet in January to hear a further report from the minister on what he is doing about this very serious problem—and I would so move, Mr. Chairman.

Hon. Mr. Parrott: You don't need a seconder, do you, for that motion?

I would like to address myself to that problem. There comes a moment in time when I think the democratic process wants to spend a little time with some other ministry besides ours. I think we have been here more than any other ministry has ever been before a committee on the activities of that ministry. I know that the committee has heard specific subject matters but not with the total involvement of the ministry staff.

I tell you it has come down to this. When I look back on my 15 months in the ministry and the last eight or nine months before this committee, frankly, some of your so-called inactivity—which I don't agree with but nevertheless—if there is any degree of flak there it might be very well caused by the fact we are not allowed to do our thing. We are sitting here. You see the heart, the soul, the guts of my ministry here and you have seen it here on this problem week after week after week.

I know that my deputy worked a 22-hour day yesterday.

Mr. J. A. Taylor: He looks pretty haggard today.

Hon. Mr. Parrott: As a matter of fact you should have seen him before eight o'clock this morning. I did as much as I could to revive him. But we were literally meeting this morning in our office with the deputy, with the staff—a very important meeting—prior to this meeting.

I just cannot stress to you how important it is to release us for a longer period of time than a month before we return to this committee. I plead with you, Mr. Chairman, and through you to the members that we—

Mr. J. A. Taylor: On compassionate grounds.

Hon. Mr. Parrott: On compassionate grounds is right. Surely there needs to be a hiatus of at least six months to let the ministry function in its normal capacity. I am not in the least objecting to coming back at another time, but you can't ask for an update and a rehash of the material on an every-other-month basis.

Ms. Bryden: We only get action when we get you before us, Mr. Minister. We got action on liquid industrial waste after we had a hearing on it. Not enough—

Mr. Chairman: You have 50 minutes to complete the estimates of this ministry. The motion is before me and I am going to interject and read it. You vote on it and the decision will be made. "That the committee ask the Legislature for permission to sit in the January-February recess to receive an update on the Ministry of the Environment's action on meeting the acid rain threat." That was moved by Ms. Bryden.

Mr. J. A. Taylor: Put the motion.

Mr. Chairman: All those in favour.

I don't think Mr. Laughren can vote. You are not a member.

All those opposed.

The motion is lost.

Are you finished, Ms. Bryden?

Ms. Bryden: Mr. Chairman, in view of the fact that we have less than an hour left I am reluctantly willing to bypass vote 2103 although I had wanted to talk about the failure of the ministry to really deal with the subject of hazardous waste, the dangers and problems such as 2,4D in the school yards, asbestos in the ceilings of schools, and PCB standards. I am prepared to bypass my opportunity at this time if the other members of the committee are also prepared to move on immediately to vote 2104. If they are not, I don't think we have had our fair share of time on 2103, so I will go on with it.

Mr. Chairman: Are you willing to bypass 2103, Mr. Miller? You indicated to me two days ago you wanted to speak on it.

Mr. G. I. Miller: That's right.

Ms. Bryden: If you people are going to speak on it, you have had two out of the three hours already. Therefore I am going to speak on it and we will have no time on 2104. It seems to me you have had two hours on 2103.

Mr. Havrot: Mr. Chairman, have you kept track of the time of the three parties?

Mr. Chairman: Well, as far as the last two meetings go, your people, the NDP, took an

hour and 35 minutes. Last night they took an hour and 25 minutes. Now, this morning, you people have spoken. They have not.

Ms. Bryden: We only had half an hour last night.

Mr. Chairman: It's pretty hard for me to judge who it's going to be on a partisan basis. I feel that if any member, irrespective of what party he represents, has a problem that he wants to take up with the minister he should have the right to be heard. You know, it's quite all right to say here we are going to spend so much time on this and so much time on that, but it's not working that way because people have problems that are of importance to them and they want to bring them out. Therefore, Mr. Miller, you will be heard.

Mr. W. Newman: Mr. Chairman, a point of clarification here. You are talking about time allocation to the various parties and the NDP and the Liberals have had considerable time. I would like to ask a question. Have you dealt with noise abatement? It is still under this vote, is that not true?

Ms. Bryden: It's under vote 2102.

Hon. Mr. Parrott: Thank you. Mr. Newman has some comments. We have been so confused on where we are. Noise abatement?

Mr. W. Newman: Yes.

Hon. Mr. Parrott: I think we could take it under this vote.

Interjection: It has been a continuous problem.

Ms. Bryden: Mr. Chairman, that's under vote 2102 and you have insisted that we adhere to the votes.

Mr. Chairman: Mr. Miller, I will hear you.

Mr. G. I. Miller: Thank you, Mr. Chairman. There are three things that I am concerned about.

First, I wonder if a report could be given on the monitoring equipment in the area of the Nanticoke generating station? When it was constructed in 1968, I think the ministry did locate stations in the area to do monitoring. I would like to have a report on that, to see what effect the generating station has had on the immediate area, because we have discussed the acid rain and I know that at the time the plant was built a lot of public relations work was done by Ontario Hydro on the effect that the high stacks would have in controlling the pollution. I know they used the latest techniques at that time. I would like to have an up-to-date report comparing the years from 1968 up to the present time.

Hon. Mr. Parrott: Mr. Cross, are you able to give us that information?

Mr. Cross: I can give you a very brief report on the Nanticoke study.

Hon. Mr. Parrott: Would you come forward?

Mr. G. I. Miller: How does the atmosphere compare now to 1968? Do you have any facts or figures that you could give us on the effect the Nanticoke station is having on the area?

Mr. Cross: No, we don't have any completed reports but we will have some shortly. I could give you a more detailed answer on this through the minister separately. Just to recap, we developed a Nanticoke environmental management program specific to air down there. We put together—Environment Canada, ourselves, Ontario Hydro, Stelco, Texaco; I think I have missed somebody but I can't think who it is—anyway, we put them all together into a committee. We control the study. We co-ordinate it and we have got a lot of work in preparation right now—tests we have done, studies we have done. Some highly technical papers have been produced and have gone before societies like the Air Pollution Control Association.

We will have some reports from that study shortly and we will be able to give the type of thing you are looking for, such as air quality analysis. I can supply you with more details. Unfortunately, I wasn't expecting this question this morning or we could have been prepared for it. Through the minister, we will be glad to supply you with some detail on that.

Hon. Mr. Parrott: I have a note which essentially says the same thing. At the present time, sufficient data have been collected by the network for serious data analysis to get under way. This will be one of the major efforts in the coming year.

Mr. G. I. Miller: Mr. Minister, don't you think this is a little unusual? It's been in operation for 10 years now. Do you mean you don't have a graph or anything? The plans were laid and I thought there should be some data made available indicating if it's holding or what direction it's going.

Mr. Cross: We can supply you with limited air quality data over that period, but what I am talking about is the more intensive studies this joint management program is working on. We are just at the point now where we are hiring a data analyst to prepare this into a comprehensive report. Unfortunately, as we have to say so often in this business, it's a complex issue and it's not the sort of

thing like, for instance, an air pollution index, where you post just a few numbers. It requires a great deal of analysis and we will be producing reports on this shortly. I will be glad to give you an update on that as I said before. We have limited data on particulate matter and things like that that we have done over the years. As I say, I didn't come prepared to discuss that this morning.

Mr. G. I. Miller: You will make them available. Is the minister concerned that these reports have not been produced and given on a regular basis up to this point in time?

Hon. Mr. Parrott: I am surprised to hear you say 10 years. I certainly didn't think there was anything going on down there that was—

Mr. G. I. Miller: They had to find out the conditions before they put the plants in, and that's when it started to develop.

Hon. Mr. Parrott: I am trying to refresh my mind, if you will; just how much is going on there right now? What is in production?

Mr. G. I. Miller: Texaco is running at capacity now. Hydro should be running at capacity but they are not, they are only running at 50 per cent. Stelco will be producing in 1980.

Hon. Mr. Parrott: How much of that was going two years ago? Was Texaco at full blast then?

Mr. G. I. Miller: They started last year, 1978.

Hon. Mr. Parrott: Our data started two years ago, I believe.

Mr. G. I. Miller: They have been running almost a year now.

Hon. Mr. Parrott: But our data started two years ago.

Mr. Cross: What I should point out is we have air quality data for Simcoe which goes back to 1969-70. We can provide you with that, but that's a limited amount of data for one specific location. Now, the Nanticoke station may have started 10 years ago, but it certainly didn't come on-line 10 years ago.

Mr. G. I. Miller: It started in 1974. They started producing hydro.

Mr. Cross: But on a very limited basis.

Mr. G. I. Miller: One unit. One-eighth of capacity.

Mr. Cross: This study only started two years ago. It takes a while to buy the instruments and get them deployed and we have an extensive network there. We can give you a very comprehensive report of the studies we are doing and we can provide you with some of the studies, but the analysis of the

data has just begun. When you get that size network spread out for what I think is 30 or 60 kilometres around that station, the analysis of the data and the analysis of the meteorology is no short-time thing. We can supply you with information.

[11:00]

Mr. G. I. Miller: I don't want you to supply me; I want you to give me a report because I'm not an expert in this field.

Hon. Mr. Parrott: We are not into that stage of doing the analysis.

Mr. G. I. Miller: I think there should be some indication by this point in time of what is taking place.

Hon. Mr. Parrott: We can give you that indication, but that's the very point I am making.

Mr. G. I. Miller: The reason I am asking you to give me an interpretation is that you are the experts. I am not the expert.

Hon. Mr. Parrott: We are not asking for it. We are simply saying that the collection of the data is in place and has been in place for some time now. To analyse that data is complex, as Mr. Cross has said. The continuation of monitoring is awfully important. That is going on. Your original questions were are we monitoring, and will we be analysing. The answer is yes.

To give you the kind of answer you are asking us for would be impossible, if we hadn't been on top of the scene to get the data. You are saying you want that answer now, and we are saying we don't have it now. But, fortunately, we have all the data on which we can give you that answer.

Mr. G. I. Miller: I don't want that. I just would like to know—and I think it would be a good guideline for your ministry to have—what is taking place to deal with places like Sudbury to see if the latest technology that has been utilized is efficient and effective. That is what I am trying to achieve, to put it on the record, to protect the people in the area. I don't want it for my own benefit, but I want to make sure that it is working in the best interests of Ontario. That's my concern.

I think it would be useful in dealing with acid rain from a plant like Sudbury to recognize how successful the high stacks have been in protecting the environment in this part of southern Ontario, which hasn't been exposed to that type of environmental condition. I think it could be very useful, if we had an idea, and at this point of time we should have some inkling on how it is affecting the environment totally.

Mr. Laughren: You never used to care.

Mr. G. I. Miller: I don't think that's right. I think we are just as concerned as anyone else.

Mr. J. A. Taylor: I guess what Mr. Miller is asking is do you have any hunches.

Mr. G. I. Miller: I don't say hunches; I think there should be some facts.

Mr. J. A. Taylor: I presume as a scientist you want to be sure of the opinion you express before you express it.

Mr. Cross: We always speak very softly about our hunches. We try to come up with definitive data.

Mr. G. I. Miller: That's all we want. We don't want hunches, we want facts.

Mr. Cross: We can give you the trends, for instance, at Simcoe station, but that's only one point in that whole area.

Mr. G. I. Miller: Yes, I recognize that.

Hon. Mr. Parrott: Mr. Cross, have you got that here?

Mr. Cross: Yes, I can give you the trends in Simcoe. When do you want to start? We started the station down there in 1970. I'll give you the annual averages of SO_2 at the Simcoe station. In 1970 it was 0.018; in 1971, 0.012, 0.003, 0.004, and 0.003; and in 1975, 0.005, 0.012, 0.011 and 0.007.

Without doing a proper analysis of those figures, they are all under our annual average of SO_2 . That's specific to Simcoe. What I am trying to get across is that we had that limited monitoring station down there since 1970 and we have that data. We have other data for the area. We have all the Hydro data for that area; I couldn't begin to give you that in this committee. What I would like to say is that we are doing a very intensive study of Nanticoke.

Mr. G. I. Miller: I know you are.

Mr. Cross: We are looking at what is coming from other areas to the Nanticoke area and what effect the station is having. We are also doing intensive meteorological studies to see what the micrometeorological effects are. We will produce very extensive reports on this station.

Mr. G. I. Miller: I have one other question. That's on the west side of the area. What about the east side down wind? Do you have any stations and where are they located there?

Mr. Cross: I would guess that the nearest one would be Hamilton.

Mr. G. I. Miller: That's not east, that's north. I mean in the area of Dunnville and Port Colborne.

Mr. Cross: No, we don't have sulphur dioxide levels in any areas on a continuous basis. I would guess London is the nearest one. It wouldn't tell you very much about Nanticoke.

Mr. G. I. Miller: No, that's still west.

Mr. Cross: Essentially, previous to the building of that station and the development of the complex, we didn't have much monitoring in the area because it was essentially a rural area.

Mr. G. I. Miller: That's correct.

Mr. Cross: What we are impressed with is long-range transport into the area. We have been concerned about the long-range transport effects along the whole north shore of Lake Erie for some time, particularly ozone.

This is the kind of thing we have to work into this package. We have to look at the local effect of that complex as it comes on line and we have to look at the effects coming from out of the country. We are trying to put this all together in a comprehensive package. The data we are amassing requires a lot of careful analysis. And right now, we are in the middle of hiring a data analyst to handle all of that data.

Mr. G. I. Miller: At what point in time will this data be available?

Mr. Cross: I would imagine a lot of the data is available already.

Mr. G. I. Miller: When will it be ready?

Mr. Cross: When will the reports start to come out? I would say six to nine months from now, would that be reasonable? Six to nine months from now, the reports will start to be produced.

Mr. G. I. Miller: Can we be kept informed and will that data be made available to our caucus?

Mr. Cross: They will be public reports as they are produced. They will be available to this committee and to members generally.

Mr. G. I. Miller: Thank you, Mr. Chairman.

Mr. Chairman: Mr. Gaunt.

Mr. Gaunt: If I could just reserve at the end for two quick questions, I defer to Ms. Bryden.

Ms. Bryden: I want to deal with 2104.

Mr. Gaunt: My questions relate to 2103. If I could just ask them at the end, if I have permission to do that.

Mr. Chairman: That's right now, and then we go to 2104.

Ms. Bryden: He hasn't got much time.

Mr. Gaunt: All right. What's happened with the Abitibi control order at Sturgeon Falls? Has it been extended?

Hon. Mr. Parrott: I'm sorry. Mr. McIntyre please.

Mr. McIntyre: Erv McIntyre from the northeastern region.

As you know, Mr. Gaunt, there was a public meeting held in Sturgeon Falls on July 19. Subsequent to the meeting we received a request from the Indian band that has a reserve near the river downstream to delay making a decision until they could make a submission. We agreed to this delay. The submission has been received and we are reviewing it. We anticipate that within the next weeks we will make a decision on it and do whatever is appropriate.

Mr. Gaunt: That's all I want to know. What about the site inspection reports at the Ottawa Street dump in Hamilton? Can they be made available?

Hon. Mr. Parrott: Here or in court?

Mr. Gaunt: No, I would prefer here.

Hon. Mr. Parrott: I would prefer in the court.

Mr. Gaunt: All right, okay. You are going to make those available when the court hearing is being heard?

Hon. Mr. Parrott: As required.

Mr. Gaunt: As required, so it may be that not all of them will be required, but you will make available the ones that are required.

The other matter has to do with sewage treatment in the Muskoka area. Apparently there is a problem up there having to do with Roselawn Lodge. We were informed that there is a considerable sewage problem. This isn't Hidden Valley, that's another problem. I was going to raise Hidden Valley with you but I just haven't got any time. I have a letter here from Mrs. Frank Oram who says she is a good Conservative but this is it, this is the end. So you have to clean up this pollution.

Hon. Mr. Parrott: I've never known one who wasn't. Who wants to help on that one? Tom again?

Mr. Gaunt: Yes, she said she has had it. She is disgruntled with the Gravenhurst office, the district office, too, Mr. Minister. I could read the whole letter. I will show it to you if you want to see it.

Apparently there's a lot more sewage there than the lagoon can handle and it's flowing into basements of private homes and all this stuff.

Hon. Mr. Parrott: I am sorry, we are going to ask your indulgence in giving that informa-

tion later. Mr. Bidell, our assistant deputy minister, who is aware of it, my deputy says he's on top of it, is at Hawkesbury today on a certain thing called the trial with CIP.

Mr. Gaunt: I understand, that's fine. Thank you very much.

Mr. Wildman: Mr. Chairman, may I ask one question here? I don't want to take up the time of my colleague, but can you tell me why it's taking so long for the first payment to be made available to the people at Haviland Bay, north of Sault Ste. Marie, involved in the 75-25 program for upgrading private sewage systems?

Hon. Mr. Parrott: Do we have a volunteer back there? George, have you any information on the matter? Mr. Joseph?

Mr. Joseph: I wish I could take it out of my pocket and give it to you. The cheque has been prepared, it's probably on its way by now. For all I know it may be in the hands of the association dealing with this, which is the Sault North Planning Board.

Mr. Wildman: If it's in the mail then we'll blame Canada Post.

Mr. Joseph: It's on its way. It's there and it's quite a sizeable cheque and should solve many of the problems in Haviland Bay.

Mr. Wildman: For \$70,000?

Mr. Joseph: Yes.

Mr. Wildman: Thank you very much.

Items 1 to 6, inclusive, agreed to.

Vote 2103 agreed to.

On vote 2104, waste management program; item 1, waste utilization:

Mr. Isaacs: Thank you, Mr. Chairman. Given the shortage of time I just have some very quick questions to the minister.

What responsibility do you feel your ministry has compared with whatever responsibility the municipal level of government has for establishing alternatives to landfill for solid waste disposal?

Hon. Mr. Parrott: I would have to ask you, Mr. Isaacs, to look at last night's discussion with Mr. Cunningham which consumed nearly an hour. In fairness to other members of the committee, it would be redundant to do that again. I am more than happy to, but I think the committee would be quite upset. There was a fair amount on the record last night and that will be readily available.

Mr. Isaacs: I appreciate that, Mr. Minister. I attempted to do that this morning but instant Hansard of this committee for last night will not be available until tomorrow

and I was not aware that the committee was going to deviate from its order of business to deal with it last night.

Let me ask you two other questions which may not have been covered last night. What is your ministry's opinion about intermunicipal transportation and disposal of solid waste? Would you support one municipality making arrangements with another for the disposal of solid waste?

Hon. Mr. Parrott: Yes.

Mr. Isaacs: Are you aware that the financial arrangements between Hamilton-Wentworth and the operator of the proposed Glanbrook site—arrangements that will proceed if the region gets the go-ahead on that site—mean that the overall cost per ton of disposing of solid waste reduces as the amount of waste dumped in that site increases? In other words, the more waste that is put into that site, the cheaper it is per ton to dispose of that waste. Doesn't that suggest to you that given the region's short-term financial and economic outlook, it will be out looking for garbage to put into that site?

Hon. Mr. Parrott: From other areas?

Mr. Isaacs: From other municipalities.

Hon. Mr. Parrott: I would be surprised if that would follow.

Mr. Isaacs: It seems to me that those kinds of arrangements remove the incentive upon the region to find alternatives.

Hon. Mr. Parrott: You and I know what a difficult problem that region had getting a landfill site. It would surprise me if, after all that trouble, two hearings and a lot of dollars, they would want to get it filled in a speedy fashion because, as we said last night, it gets more and more difficult.

[11:15]

If there was going to be another kind of solution where they needed the volume to keep a plant viable, that's one thing and we would agree there should be transportation. You're now proposing transportation in order to make the place viable, in the short term. In the long term it would put them out of business in a hurry. The utilization of garbage waste to have a plant generate electricity or steam or whatever is forever, whereas this will very quickly be out of business and they will have to do the process again.

I literally can't imagine the region taking that approach, because they're only bringing their problem back to haunt them again in a very quick fashion. That wouldn't seem logical if I were in the regional council.

Mr. Isaacs: I don't want to prolong the discussion, but it seems to me that even if

they have approval, or may have approval, for one site, if they plan in time there are undoubtedly other locations in the region. All the equipment, the trucks, the transfer stations which may be used for Glanbrook could easily be transferred to another site and would affect even further long-term planning.

Hon. Mr. Parrott: In fairness though, I think last night what we were trying to say is we believe the handling of solid waste is a municipal responsibility. If that's true, it won't make the case easier by having all their waste go into other municipalities. There has to be transboundary movements of these solid wastes in certain instances. The number of sites in downtown Toronto, in the municipality of Toronto, I suppose, is zero. It wouldn't be reasonable to say they don't have to have a site or a method, so there has to be transboundary movement. Therefore, I would have to say as a policy statement we accept that principle but at the same time we're not, if we're saying it's up to the municipality to look after it, fostering the concept that one municipality should dump its waste on another municipality.

Mr. Isaacs: Thank you very much.

Mr. Cunningham: If this is going to be a temporary facility, and that certainly is the tone the proponents of the dump are trying to leave with the taxpayers in the area, and we are going to have to look at another landfill site in the future, the only alternative as I see it would be the establishment of an effective recycling plant along the lines I suggested to you last night.

Hon. Mr. Parrott: No, we agreed last night.

Mr. Cunningham: I'm not saying there may be any variance in our view on that. If an effective solution is going to be, as I guess you agreed with Mr. Taylor and me last night, the establishment of an effective recycling plant, what are you going to do today or soon to see we're not back five or six years from now to look at another landfill site which will probably be in the township of Flamboro where I reside? What specific steps are we going to take today to see we don't have to go through this same exercise, something we should have done five or six years ago?

Hon. Mr. Parrott: I can tell you what I'm doing in my own county, if that's any guidance. I met with them two or three times and we're going to meet with them again to talk about what we must do with our problem in our county. I'm doing that on the same basis as I suggested I would like to hope and think

you might do with your region. We're a region and that's the answer, although not to the same degree, since there is a difference in our restructured county. But we have all of the same problems a region would have relative to solid waste because it's upper-tier responsibility and a lower-tier collection responsibility. We're exploring those possibilities in my county, as I hope other counties and regions will do.

I hate to open that discussion again with the very few minutes left. I will, but we had a long discussion on it last night.

Ms. Bryden: I think it's very unfortunate that this committee has only about 20 minutes at the most to deal with what I think is probably the key environmental problem in this province which we identified a year ago, and that is the disposal of liquid industrial waste and the problem of dumps and landfill sites that may or may not have unknown quantities of hazardous wastes in them. I wanted first of all to supply the minister with the information for which he asked me when in my leadoff I mentioned I had heard a report that whole railway boxcars had been dumped in the Tricil site near Sarnia and buried with unknown quantities of some kind of industrial waste inside them. It was pointed out that there is no rail siding at the Tricil plant.

I have now obtained the name of the person—and he is willing to have it publicized and to be contacted about it—who obtained this information from a construction worker who dug the trenches into which the boxcars were dumped. They were brought in on flat-bed trucks to the property of Tricil. This is the report I have. I would certainly like the minister to investigate this and try to find out exactly what is buried in those boxcars.

Hon. Mr. Parrott: Would you like that now?

Ms. Bryden: You do have the information, do you?

Hon. Mr. Parrott: I think Mr. McTavish could address that, could you not, Mr. McTavish?

Mr. McTavish: We made some inquiries following the question being raised here, so our investigation isn't necessarily complete, but the information we have to date is that Tricil has moved some equipment and some tanks from the Mississauga facility to their facility in Moore township.

The tanks you referred to, according to Tricil, were empty tanks that had been in use in Mississauga, but were not facilities they could give out or sell as scrap. They chose to bury them at their site near Sarnia.

We are still following up on this with Tricil, but that is the information we have to date from their manager.

Ms. Bryden: So we don't know what contaminants had been inside those tanks, whether they might have contained PCBs, for example?

Mr. McTavish: The indication was that the tanks are empty and were empty.

Ms. Bryden: But they may be contaminated metal?

Mr. McTavish: There may be some minor contamination, yes.

Ms. Bryden: Presumably if they buried them they considered they were dangerous.

Mr. McTavish: Well, they chose that method of disposing of the material, rather than trying to clean them up and sell them as scrap.

Ms. Bryden: Would you like the name of my informant to call him up further on it, to determine whether he has additional information? I think it still should be investigated further as to actually what is in those trenches. His name is Grant Reynolds, RR 1, Brigden, Ontario, N0N 1B0.

Mr. J. A. Taylor: Is he a good Conservative too, Ms. Bryden?

Mr. Wildman: We don't have to know. We just deal with their problems.

Ms. Bryden: Recently, we received an interim report from James F. MacLaren Limited, consulting engineers, on development of treatment for liquid industrial wastes and hazardous wastes. That report has some very alarming statements in it.

For one thing it says this province has followed the route of suggesting that disposal of liquid industrial waste be a matter for the private sector, but it reports, "None of the operations subsequently established by private enterprise proves sufficiently comprehensive to offer a full service for all the waste generated in Ontario. As a result, inefficiency and poor practices still continue in the face of burgeoning problems."

The report also goes on to say, "When no adequate segregation and treatment system is available for these hazardous wastes, or where the costs of such systems are substantial, indiscriminate and clandestine disposals through midnight dumpers and gipsy haulers is liable to take place, thereby creating an immediate threat to public health in adverse impacts on the natural environment."

Just one final comment. They also say, "These materials, if improperly disposed, can produce a variety of adverse effects such as

incendiary conditions, including explosions, contaminate air and water, accumulate within the food chain and cause poisoning of living things."

They go on, on page 5.2, to suggest what is needed in the way of desirable facilities, which have not to date been established in Ontario, and they talk about one or more incinerators suitable for destroying halogenated organics, including PCBs:

"2. A physical chemical treatment plant for detoxifying a number of inorganic wastes and certain low-calor organics.

"3. A secure landfill of sufficient capacity to retain under perpetual care and no discharge conditions, all residual sludges from waste treatment, chemically fixed wastes and non-treatable wastes generated over the next 20-year period.

"4. Transfer storage facilities in south-eastern and northern Ontario for non-sewerable liquid industrial wastes, contaminated soils reclaimed from derailments and other residues."

That is their indictment of the failure of the ministry to provide adequate facilities in this province for the disposal of liquid industrial wastes.

Hon. Mr. Parrott: Let's put on the record one sentence ahead of where you read. I worry about this lack of balance.

The sentence reads: "In that undertaking the Ontario government, despite criticisms within the province, assumed a pioneering attitude well in advance of other Canadian provinces and virtually all states in America."

That is in the same paragraph you put on the record, but you forgot to read it.

Ms. Bryden: I read that, Mr. Minister. That pioneering attitude is the pioneering of relying on the private sector and it seems to me they have indicated the private sector has not met the problem.

Your own director of waste management, Mr. Pitura, says it is one to five years away for ways to treat industrial waste. What are we going to do in the next five years?

Hon. Mr. Parrott: No, no, long term.

Ms. Bryden: The statement you gave us yesterday about the solidification process is in response to an ad where you asked for a process which would be short term, up to five years. It is only buying time; it is not the real answer.

This report actually questions solidification, except in certain applications. It is not the complete answer in any way, yet the minister seems to assume, by his statement yesterday, that he has solved the problem by providing two facilities—in southern Ontario only.

Hon. Mr. Parrott: We have never said it was the complete answer, just the converse of that. We said, "Here is short term. We need long term and here is what we are doing about it."

Ms. Bryden: What are we doing about long term? There is no sign that we are going to have a province-wide system of facilities for disposing of liquid industrial wastes in this province.

Hon. Mr. Parrott: We are mapping it out right there. In this first international report we are mapping out what the short term and the long term are. You can't have a long-term plan and have it done today. That's obvious.

Ms. Bryden: There has been no sign of a plan even.

Hon. Mr. Parrott: Certainly there is a sign of a plan. We have talked about the various possible technologies. I don't know what more you do. If that isn't a plan, it's nothing.

Ms. Bryden: We do not yet have a mandatory reporting system on the generation of waste, so we don't know what is coming. We don't have a waybill system that can track the waste precisely from the generator to disposal. Your own officials admitted that it was still incomplete in its development and that we could be losing thousands of gallons without knowing where it is going. Until that is complete, we do not know whether all the waste is being disposed of in a proper way.

Hon. Mr. Parrott: Maybe Mr. Pitura could outline this more clearly than my statement. Often that comes through in dialogue. Could we ask Mr. Pitura to give us a two- or three-minute overview of that?

Mr. Pitura: Mr. Chairman, would you like me to give an overview of the waybill system or of the overall liquid industrial waste program?

Ms. Bryden: We had a report on the waybill system earlier in this meeting. It was said it was being developed but the computer technology was not complete, all the reports were not yet coming through and you could not reconcile the generation and the disposal. There is a gap. Is that not true?

Mr. Pitura: That's right, there is still some problem with the way the waybills are being submitted by the people involved in the system. This is what we are correcting with the assistance of our regional staff, to ensure there is a better filling-in of the forms involved.

That is a people problem. How do you instruct the generator or the transporter to write legibly, for example, or make a tick in the right block, or fill in a certain number

properly? It is just a people problem and I guess one of education. We have to, in co-operation with our regional staff, continue to meet in dialogue with the people involved to ensure they understand their responsibilities in this exercise. I don't think they maliciously try to avoid the material. It's just a question of how they do it.

[11:30]

We are taking that action. We're also trying to come up with a much better data-processing technique for more information on the volumes and types of wastes, where they're generated, where they're disposed of, and how and by whom they're hauled. That's another area we're developing. We're hoping, perhaps within the next several months, to come up with a better system again.

As I mentioned a year ago and again last February, I believe, it is a continuing, ongoing process. We're not sitting waiting to see if it works. We're also looking at amendments to the regulation and the form of waybill itself to accommodate other factors.

Incidentally, there's another point on the waybill itself. The Ontario form of waybill has been used as the general format that might be applied for the transboundary movement of wastes. Environment Canada has now asked us, plus several other jurisdictions involved, to look at the possible utilization of basically our form of waybill to see how some of the changes would impact on our own waybill in the future.

I think it has been reasonably well accepted. To the best of my knowledge it's the only waybill system in Canada as of this date. I think it's moving in the right direction.

Ms. Bryden: You mentioned transboundary movement. Is it true that about 20 to 30 per cent of our wastes are being shipped across the border?

Mr. Pitura: I don't have the specific figures. I don't believe they're quite that high. Mr. Turner probably has a better idea. I think they're lower than that and I think they will get lower still as facilities south of the border become more stringent and more exacting. Maybe their facilities will be utilized for their own in-state materials. I would see, perhaps, the volumes dropping in the future. Of course, when facilities are available in Ontario they should obviously have an impact on the movement of wastes.

Ms. Bryden: Of course, that's all the more reason for us to have a plan to develop adequate facilities in this province instead of being faced with things—like the Star editorial that says we face an ecological night-

mare because we haven't worked out ways of disposing of our liquid industrial wastes.

However, I wanted to get on to the question of the waste site identification program which you undertook this summer with students. When will that report on those sites that you surveyed be out?

Mr. Pitura: As of last week I was advised two of the university reports have been received. A third is to be received imminently. Then we will take the data from the three reports, consolidate it, and come up with criteria to look at phase two, which is the field end of the work in this overall program. Our effort in this should be completed probably in the early part of the new year—as far as the preparation and consolidation of the material from this field work done initially by the three universities is concerned.

Ms. Bryden: Do you feel you have covered most of the waste sites in southern Ontario? Did you cover northern Ontario at all?

Mr. Pitura: Just to make it clear we had one institution, York University, that handled southern Ontario. We had Lakehead University do northwestern Ontario and we had Laurentian University do northeastern Ontario. We tried to cover the whole province. On your question as to whether the students have found all the sites, I guess time alone will tell.

No matter how good they were, I would doubt that you could say unequivocally they have found all the old sites that were ever used in the province of Ontario. I think that's almost humanly impossible. You have to deal with no records; you have to talk with, perhaps, elderly statesmen in each municipality who've acted as foremen or members of council and who were aware of certain things that were done 20 or 30 years ago. It's a long process, with no records in some cases.

Ms. Bryden: Did you cover private disposal dumps or landfills that were used by companies where there may be considerable industrial wastes, such as in the Love Canal situation?

Mr. Pitura: I haven't seen these reports yet, so I can't answer that question.

Ms. Bryden: Were those the instructions of the students, to look for private dumps as well?

Mr. Pitura: It's part of the assignment, but whether it's been carried out to a satisfactory degree, I couldn't answer without going through the reports. That certainly

will be addressed when we consolidate the material.

Ms. Bryden: I don't know whether you've heard about the famous US hit list, but they are going after private companies that have disposed of liquid wastes. A great many of them are on-site disposal. They're finding that they have not been properly disposed of and they're prosecuting where necessary. Will we also consider such a policy?

Mr. Pitura: That's a hypothetical question. I imagine if there are breaches of the statutory basis we operate under, the appropriate enforcement action will be taken.

Ms. Bryden: When you do get these reports available, they'll show you some sites which have had liquid material waste in the past. What are you planning to do about monitoring and investigating those sites?

Mr. Pitura: This will be phase two of the program. Let's assume 3,000 sites have been looked at. It would probably be futile to try to do field work on 3,000 sites—if there's no problem at 3,000 sites.

Initially you'd have to look at what could be potential problems at the site. These could be the hydrogeological formation, the proximity to urban areas, and the type of wastes disposed at those sites. You develop a certain rationale and then apply that to all the sites. That would determine the number of sites where additional field work would be done in phase two. That could take the form of more concentrated surface-water sampling, boring samples for gas, and that sort of thing. That would be phase two.

Just to tidy it up, phase three would then be the enforcement or abatement action, if corrective action is required as we go down the road on this. We've said all along that if the people discovered anything during the course of their interviews, they were to make that known immediately to the regional enforcement people, if such enforcement was required.

Ms. Bryden: We all know that some sites are going to require action and, of course, perpetual care of abandoned sites is an on-going problem. The perpetual-care program was recommended by the resources development committee a year ago, in their interim report. So far all we've got on it is a green paper with various proposals. We're no closer to legislation, it appears, at least not this session.

We really have no perpetual-care fund. How is the minister going to clean up any abandoned sites found, which may be dangerous, without a perpetual-care fund? When

is he going to bring in the perpetual-care fund as part of his program?

Mr. Pitura: The interim report of the perpetual-care task force committee was tabled on October 16, I believe, at the opening of the estimates, along with the MacLaren report. That report has been submitted to something in the order of a dozen public interest groups for comment on the adequacy of the process to date. We're also continuing with some work on the insurance and liability aspects with consultants.

We hope to have the final version of the report once we receive comments from these people, some time in the spring of 1980. Then, of course, the report will be submitted to the minister and whatever appropriate policy is considered at that time will be considered, presumably, by the minister.

Ms. Bryden: It looks like we're a year away from any possible legislation and we still have a problem. I understand that more than half of our liquid industrial waste is still going into landfill, in spite of your proposed ban on it at the end of this year. Do you see any prospect of being able to ban it some time in 1980?

Hon. Mr. Parrott: It's hard to predict how long the environmental assessments will take. We'll receive them by January 31; I'm sure that's going to happen. I'm sure we'll get it to the hearing fairly quickly. That'll be our major ministerial thrust. It's difficult for me to determine whether the hearing will be one month or 10 months. If I knew that, I could answer your question very specifically, because I think that's the unknown in the piece, relative to time.

The building of these facilities is really not that time-consuming an operation. The deputy says six to nine months. So 1980 is tight, no question about that. If the hearing goes quickly, then I think we're looking in that time frame. If it goes very slowly—and who would have bet, certainly not myself, a year ago now that we'd still be trying to get a test burn in a certain municipality in Ontario? I just couldn't believe that that hearing wouldn't have been over with now. The fact is it isn't.

I hope the hearing goes quickly. It has to be a full one, of course, but that's so difficult for me to even take a guess on. I've been so wrong on a couple of estimates for hearing times that I just don't want to say to you that we'll have it done. I can tell you this: to this point we have put very tight time limits on ourselves and we'll continue to do so. When the ministry is in control, the ultimate of pressure will be applied for

speedy resolution. When we're not in control, then as you know, we're at the whim of someone else.

The perpetual-care task force is an illustration. We could be faster if we'd say, "To heck with public input." I know how strongly you feel about it and we've tried to oblige this year with public input. Had we ignored that in the perpetual-care report it would be a lot easier and a lot faster. But you can't get it both ways, as we often say. If you're going to have public input, you're going to slow down everything. I'm not opposed to that concept, as you well know. It's hard then to give you those precise times and speedy times.

Ms. Bryden: Are you suggesting that the two solidification plants which may be approved in the next year will deal with all of the liquid industrial waste now going into landfill? In the first place, I don't think solidification applies to all waste.

Hon. Mr. Parrott: No, but it takes a lot of it. Tricil is operating—not with solidification—taking some of our wastes. We hope Ajax will reduce the volume quite a bit. If they're hazardous wastes like PCBs, we'll have to store. Our intent is to burn PCBs if proven safe. We're attacking on more fronts than just this one.

It does take a large percentage. Mr. Pitura, what kind of a percentage would you hope for in liquid wastes?

Mr. Pitura: Regarding the two solidification proposals, they could probably handle at least two thirds of the volume, 20 million gallons. This would all depend, I'm sure, on the two companies themselves.

Hon. Mr. Parrott: The border's still open.

Mr. Pitura: If the market was there, I'm sure they'd expand to meet the market. It'll be easy to expand the facilities, I understand, once they're in place.

Ms. Bryden: I'm sure the minister is aware that there's still some doubt about how you dispose of the residue from the solidification process and whether it is completely safe over a long period.

Hon. Mr. Parrott: That's the whole point of why we're monitoring them.

Ms. Bryden: What I'm disappointed in is that there doesn't seem to be more action of investigating other processes, getting other kinds of facilities going. I don't know what happened to the Wetox proposal that the Ontario Research Foundation had developed, but there are, I think, still at least 15 recommendations in our report last year on liquid industrial waste that have not been implemented—

Hon. Mr. Parrott: Some of them may not be.

Ms. Bryden: —including a system of public education which is an essential part, I think. That is one of the reasons that the Mississauga thing has been held up so long. The people are suspicious of what is going on, from past experience.

[11:45]

Hon. Mr. Parrott: With your help we could eliminate a lot of that, but not without it.

Ms. Bryden: In the United States there is a proposal that in order to increase public acceptance you offer what is known as an additional benefit to communities—that once the safety of a process has been established they would accept it providing they got a new recreation area or a park to improve the amenities of their town. That is a possible approach. Has that been considered?

Hon. Mr. Parrott: It is quite an interesting trade. I always thought we dealt with something that was okay or it wasn't okay, but now if the price is right it is okay. That sort of boggles my mind, if I heard that correctly.

Ms. Bryden: If it is safe and okay, yes. There still is that feeling that people do not want to be the site of a waste disposal plant. They might accept it if there was an additional incentive in the way of some amenity for their community, as well as a well-designed site.

Hon. Mr. Parrott: That logic boggles my mind, too. If it was unsafe we wouldn't put it there. If it is safe why do you have to bribe someone to take it?

Ms. Bryden: Because of the concern that it may not be 100 per cent safe.

Mr. Wildman: You have done that with the corporate sector for many years.

Mr. Chairman: Two more minutes to go, Ms. Bryden.

Ms. Bryden: Thank you, Mr. Chairman.

I will just wind up by referring to these recommendations in the report that have not yet been dealt with. One of them called for pretesting of hazardous substances before they go into use by any industry and the International Joint Commission, in the latest issue of its magazine, suggested that. It also suggested we must get much more intergovernmental sharing of research on hazardous substances. I think you would agree with that. But I am disappointed that the vote in these estimates for your research facilities is almost flat. I think the increase from the amount authorized last year to the amount this year is about one per cent, which certainly would not even cover wage increases.

How can we play our part in investigating hazardous substances which are becoming more numerous every day?

Hon. Mr. Parrott: Mr. Drowley, would you want to make a comment on that?

Mr. Drowley: No, thank you.

Hon. Mr. Parrott: You do your best in establishing your priorities. When you have a long list of municipalities who want some money for their sewage-treatment plants, their water-treatment plants—it is a rare member who hasn't one time during the year said, "Hey, I need a little help here," and you try to accommodate them. Of course, that takes money from another section of your budget. I think I could go around the room—I won't, but I think you know whereof I speak.

It is not so true of the metropolitan area. I must admit that you seldom have a specific member from a metropolitan area like your own who would do that, but almost all of the rural members or urban members outside of the Metro area have approached me during the year, "We need a couple of million here." You can't both spend it there and spend it on research.

We tried our best to juggle our allocation of resources and I can tell you that last year and this year in a relative sense the Ministry of the Environment has been given a high priority in government allocation of funds.

Ms. Bryden: The waste management board, has it had any increase in its funds and has it been asked to take into account the problem of liquid industrial waste as well as solid waste?

Hon. Mr. Parrott: No to both of those questions.

Ms. Bryden: Are you phasing it out?

Hon. Mr. Parrott: No, but we made the determination that we essentially were going to be the responsible body for liquid wastes.

Mr. Chairman: I am sorry, but we have run out of time. We have spent 18 hours on these estimates.

Shall item one of vote 2104 carry?

Mr. Gaunt: Mr. Chairman, may I just ask a question?

Mr. Chairman: Yes.

Mr. Gaunt: Is the ministry intending to hold an environmental assessment on the hydro-electric project on the Musquash River near Orillia, do you know? There is going to be considerable environmental damage involved.

Hon. Mr. Parrott: Where?

Mr. Gaunt: Near Orillia, Musquash River.

Hon. Mr. Parrott: Is that Go Home Lake?

Mr. Gaunt: Yes.

Hon. Mr. Parrott: Yes.

Mr. Gaunt: Yes; you are?

Hon. Mr. Parrott: Yes.

Mr. Gaunt: Good.

Hon. Mr. Parrott: They have voluntarily asked for one.

Mr. Gaunt: Okay. Thank you.

Item 1 agreed to.

Item 2 agreed to.

Vote 2104 agreed to.

Mr. Chairman: This completes the estimates of the Ministry of the Environment.

Mr. Minister, you had a statement with answers to last night's questions?

Hon. Mr. Parrott: Yes. There was one question left hanging. I see several people here—they were here—who are quite interested in this response. It was with regard to the lead testing at Manchester Public School.

Dr. Huntingdon, assistant to the medical officer of health, advises that the students were selected on the basis of their having been at the school for more than four years, which seemed like a pretty good idea. You needed a length of time at that school. The school only goes to grade five, so it limited the number.

The school board prepared the list of students for the MOH and only one of the students out of 18 on the list was refused parental permission to be tested. The number tested was deemed by the MOH to be adequate for the purpose.

The assistant to the MOH advises that the two samples which showed elevated levels of lead were reanalysed, as we knew, but interestingly enough, while still with the lab. In other words, there was a retest right then. I wasn't aware of that last night. I suspect you weren't aware of that. So it wasn't a change in blood because of time interval which you put on the record last night could occur. It was a retesting, as we are advised, right at the same time. Upon reanalysis it was shown to be within acceptable limits. To ensure that, the two students were retested by their family physicians and were confirmed to have acceptable levels.

That is rather good news, in my mind. I was worried that perhaps the sample was badly chosen or—the point you made—that the natural ability of the body to discharge these harmful substances would have taken care of the problem, but that is not the way it was. They were retested and then retested. The first retest was immediate, the second

retest was after an interval of time, which we would want, and they all proved they were well within the acceptable lead limits of the blood. So I think that kind of—

Ms. Gigantes: The same lab?

Hon. Mr. Parrott: The retest obviously was. I can't tell you whether the second was through the same lab or not, but it was through another method. It may have been the same lab, but another interpretation was put on that test, one by the MOH and one by the family physician. I think we all win. You wanted it in a clinic setting; that was done. I put a lot of faith in the family physician. We had it tested from both perspectives.

Can I say in conclusion, Mr. Chairman, that I know we have had some strenuous disagreements, but by and large I believe this last year has been a great year for getting some information out that we hadn't done previously. I thank you for your indulgence on all occasions, Mr. Chairman, and I conclude with the belief that although we obviously see our environmental responsibilities from a different bias, from a different perspective, I am still persuaded that this committee, including the ministry, all have one particular thing in mind and that is the best environment that we can give for the province of Ontario. I think that goes to the critics, to the members of the committee and the staff of this ministry. I thank you very

much for the time we have had here during the last year.

The last item you so kindly passed me a little note on is that with the committee's indulgence I would like tomorrow to hand deliver to the members of the committee a statement on Bill 24 and the amendments we are proposing that relate to the liability section.

There are some real problems for some of the ministry to be here for Thursday night. I think we would prefer if you continued with your estimates of the next ministry and do that on another occasion—perhaps even in a situation where we find ourselves this morning, where you have a part of a day that you wanted to fill in. So we will hand that to you tomorrow.

Mr. Gaunt: Perhaps the Babcock and Wilcox thing will spill over into Thursday night now, in any event.

Hon. Mr. Parrott: If it does we would, not tomorrow night but tomorrow, put in your hands our proposed amendment and the rationale of that amendment. We will hand deliver that to your offices.

Mr. Chairman: As you know, before we call these people in, we will not be sitting on Tuesday night because of King Tut, so we will be reverting to Monday night instead.

[12:00]

The committee moved to other business.

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Also taking part:

Fitch, Dr. M., Director, Special Studies and Services Branch, Ministry of Labour



No. R-23

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Natural Resources



Third Session, 31st Parliament

Thursday, November 1, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, NOVEMBER 1, 1979

The committee met at 8:13 p.m. in committee room 2.

ESTIMATES, MINISTRY OF NATURAL RESOURCES

Mr. Chairman: I'm going to open the meeting. We'll extend the courtesy to you, Mr. Minister, if you have a statement to make to start off.

Hon. Mr. Auld: I just happen to have a little one here. It's great for the pulp and paper industry.

This year, my ministry's estimates totalled \$261,414,300. In this opening statement I will touch upon some highlights of our activities during the past year or so to bring you up to date.

First of all, the ministry management improvement plan. At the end of this month we begin the final year of the three-year period during which the ministry organization is being streamlined to better meet demands for effective program planning and delivery to our various publics.

As mentioned at last year's estimates debates, main office staff is being reduced by 20 per cent to build up field staff, reduce overhead and enhance program delivery in the field. We have already achieved more than half of this target.

One step announced previously was the moving of the fire control branch from main office to Sault Ste. Marie, where it was combined with the aviation service to form a new branch under the name of aviation and fire management centre. It really sums it up. Since then the administration of the Timiskaming testing laboratory at Cobalt was also decentralized in the field. This laboratory performs bulk sampling of silver ores as well as doing silver and gold assays. It now reports to the regional director, northeastern region.

Also decentralized was the petroleum resources unit, formerly divided between the main office and London. It is now consolidated in London under the regional director, southwestern region.

Another organizational change has been the combining of the conservation authorities branch with the water management section of engineering services branch. The new name

is conservation authorities and water management branch. I know that comes as a shock to you. This move consolidates the ministry's water management and planning expertise in one unit.

Now, for the senior staff changes. As many members know, Art Herridge left us earlier this year to become Deputy Minister of Northern Affairs after many years of dedicated service, first to the Department of Lands and Forests, and since the 1972 reorganization, to the Ministry of Natural Resources. His last responsibility with us, as assistant deputy minister, policies and priorities, was setting up and heading the policy and priorities committee mechanism, which is a vital part of our senior management system.

In a subsequent change, in keeping with our management improvement plan, his former position of assistant deputy minister, policies and priorities, has been revised to become ADM, administration.

Jim Keenan, a ministry veteran whose responsibilities have included the lands and waters group and the division of parks before that, has been appointed to this new assistant deputy minister position. His first major task is to sharpen up the management services and administrative side of the ministry to meet the needs of our overall reorganization.

In another change, the deputy minister now chairs the policies and priorities committee which oversees policy needs and development, resolves program conflicts, recommends ministry policies to the minister and determines staff and funding allocations in broad terms.

Other senior staff changes include the following: Tony Clarke is the new executive co-ordinator of the lands and waters group, succeeding Jim Keenan. Mr. Clarke came to us from the management board secretariat.

Michelle Fordyce has joined us from Intergovernmental Affairs as director, policy co-ordination secretariat. She succeeds Mary Mogford, who moved to the Ministry of Community and Social Services to take on the job of executive director, finance.

Kenneth Armson, the author of the Armson report on forest regeneration when he was a senior professor at the University of Toronto,

has become special adviser on forest management, to succeed the recently retired Jim Lockwood who set up that important office.

George Elliott recently took over as regional director of northern region, after serving as director, management improvement, during the first two years of that program.

He succeeds John Oatway, who has become regional director, eastern region, succeeding Bill Hueston who is nearing retirement, and devoting full time on special duty to the CORTS program, of which he is Ontario chairman.

There have also been several changes at the deputy regional director and district manager levels.

Mr. Foulds: Couldn't we have the details of those too?

Hon. Mr. Auld: I just happen to have them here. We'll come back to them, Jim, if you wish.

Mr. Foulds: Can we have mug shots for all these people as well?

Hon. Mr. Auld: We didn't bring them all tonight.

Mr. Foulds: I can see why.

Hon. Mr. Auld: There have also been several changes at the deputy regional director and district manager level. Many of these senior changes were promotions for staff people, a policy which we plan to continue, while welcoming the addition of staff from other ministries and the private sector, as appropriate.

Another organizational change has been the closing of the district office at White River—

Mr. Wildman: I want to speak about that.

Hon. Mr. Auld: —I put it in so you wouldn't forget—integrating its operation with the district office at Wawa. This reduces the number of our districts from 49 to 48. We feel that this is a responsible move done on the basis of efficiency and effectiveness.

While this action means the ministry operation at White River will be reduced in terms of staff based there, it should not in any way underplay the services we provide for fishing and hunting based tourism in that area, for the planning of roads and trails, various aspects of land use planning, or our overall management of natural resources in that part of the province.

One instrument in attempting to improve our staff overall is the human resources planning project. Harold Farrant, who was director of personnel services, has been as-

signed the development and implementation of this project, which grows out of an intensive task force study within our ministry.

In brief, we are putting together a system by which managers in the ministry can best acquire strong staff as well as develop staff abilities. The project aims to give the ministry an improved human resources planning capability, employing a staff data bank with emphasis on promotability, on increased training and development activities—all based on the bottom line of regular performance appraisals.

Another internal improvement move has been the development and implementation of a ministry management system, designed to emphasize performance evaluation, so we get the most for our money.

The new system begins with program guidelines which give direction to annual work plans. These guidelines are based on broad government and ministry interest. The annual work plans enable ministry managers to establish the priorities of their various tasks, and to better deal with their many responsibilities in an orderly fashion.

Evaluation of performance is done through the management-by-results process, to keep tabs on both program efficiency and program effectiveness in the multitude of responsibilities the ministry is called upon to carry out each year. Here the key words are "control" and "accountability."

The development and implementation task of this evaluation system is being undertaken as a special assignment by executive coordinator Douglas Drysdale formerly director of the timber sales branch. He and his staff are also designing methods to ensure regular flows of appropriate operational information to senior management and planners in the ministry.

In a time of many changes—especially in a ministry as large, as widely dispersed and dealing with as wide and complex a mandate as does this one—some degree of uneasiness and personal uncertainty on the part of the staff could easily occur. We have made considerable effort to minimize this feeling and hopefully to eliminate it. Here the key words are "involvement" and "communications."

We are striving to keep all staff fully informed and being part of the deliberations and decision-making process. One of the steps taken has been the distribution of a leaflet entitled "You and the MNR Management System" to all staff. This publication briefly summarizes the changes in our management system and how each employee fits in.

I want to commend the dedication and the professionalism shown by our people during these trying months. Their helpful attitude underlines a fact that we have always known: the Ministry of Natural Resources boasts a well-qualified, very capable and devoted staff—a staff which works very hard to carry out the ministry mandate. I am proud to be associated with them.

Provincial parks: The Ontario provincial parks system continues to provide for a wide variety of recreational opportunities and to protect significant natural and cultural resources. During the past year, my ministry has been working closely with the Ministry of Industry and Tourism to investigate ways whereby tourism might be further promoted through provincial parks. Just as tourism is important to the economy of our province, so do provincial parks play a major role in tourism.

Provincial parks directly and indirectly stimulate about 9,300 man-years of employment annually and approximately \$100 million annually in direct and indirect tourist expenditures. We are continuing to look at ways the contribution of the provincial parks system to the tourism economy can be enhanced in full recognition of the recreation, heritage appreciation and protection roles of the park system.

Two parks were officially opened this year, bringing the total in our system to 128 operating parks. On June 15 we held the opening ceremonies for Murphy's Point Provincial Park which is on Big Rideau Lake, almost half way between Ottawa and Kingston. This natural environment park caters to boaters on the Rideau waterway and offers boat-in campsites as well as hike-in and car campsites, a total of 174 campsites now and eventually a maximum of 300.

The park has been available for visitors for the past couple of years and we started charging fees last year. During the winter months, cross-country skiers make good use of this park.

On July 4, we officially opened Awenda Provincial Park near Penetanguishene. It also is a natural environment park. At the end of the summer of 1978 a limited number of campsites were being offered. We now have 150 sites ready and in the future plan to add at least 150 more. Areas will be provided for group picknicking and group camping and a system of trails developed for both winter and summer use.

This park is located in an area drawing heavy tourist traffic. The naval and military establishment at Penetanguishene, Ste. Marie-

among-the-Hurons, the Martyrs' Shrine and the Wye Marsh Wildlife Centre are nearby.

Both these new parks were developed under joint federal-provincial Agricultural Rehabilitation and Development Administration projects.

When the Algonquin Provincial Park master plan was approved by the government in 1974, one of the provisions was a review of the plan every five years. The first such review, with the assistance of the provincial parks council, is nearing completion. The parks council, with the help of ministry staff, has prepared a review document and about 3,000 copies of this document have been distributed. It's free by the way.

A series of public meetings were held this past spring and summer to provide opportunities for all interested people to discuss implementation of the master plan and to ensure that the original plan keeps pace with changing conditions and needs.

Mr. Nixon: Is that the one John Robarts was going to chair?

Hon. Mr. Auld: More than 1,000 people attended the public meetings held in Toronto, Bancroft, Pembroke, Ottawa, South River, Huntsville and in the park itself and more than 250 briefs and letters were received by the council.

Before the end of December the provincial parks council will be submitting recommendations to me based on the public submissions and studies conducted during the review. I'll then respond to these recommendations and announce any changes to be made in the Algonquin Provincial Park master plan.

Last season—that is, during 1978—we conducted an experiment with a ban on alcohol for about a month and a half in 11 parks with a recent history of rowdiness during May and early June.

We wanted to encourage a return to peaceful camping so that families and others could enjoy their park experience without being disturbed by noise and abusive behaviour.

[8:30]

The experiment was a success. Our parks staff reported considerable reduction in rowdy behaviour and property damage and we received many letters from campers saying how pleased they were at the welcome change. This year we extended the ban to two more parks making a total of 13. The ban was in force from the beginning of May until June 17 and was successful.

Although the ban in its first year seemed to result in a drop in attendance this drop was largely recovered during the second year. After two years of successful experi-

mentation it's our intention to make the alcohol ban a legitimate management tool for the park system.

Recently I approved the master plan for Lake Superior Provincial Park. This makes a total of 21 approved master plans for our parks. A number of other planning projects are under way throughout the province and several are scheduled to be ready for approval this fiscal year.

To end this section on provincial parks, two other accomplishments are worth mentioning:

Earlier this year the ministry's film entitled Polar Bear Provincial Park was chosen as the best among 19 entries from the United States and Canada in the conservation film category. The competition was sponsored by the Outdoor Writers of America and held in conjunction with the North American Natural Resources and Wildlife Conference. The film was produced for the parks and recreational areas branch by our ministry's information services branch and was prepared to inform the public as part of the master planning process for Ontario's largest park. The master plan for Polar Bear Provincial Park is expected to be completed this year.

Mr. Foulds: That might be worth a separate ministerial statement.

Hon. Mr. Auld: If we can just find some bluehearts up there we'll get it going.

At the Canadian National Sportsmen's Show in Toronto last March, the annual ministry exhibit was devoted to provincial parks. I know a number of members were able to visit that exhibit and I thank them on behalf of our staff for their kind and very favourable comments.

We called it Ontario's "First Indoor Provincial Park" and described our parks and other resource management programs in an exhibit which caught the feeling of an actual park, with trees, plants and wildlife, and demonstrations including wolf howls. The exhibit was staffed by experienced park people from across the province.

Interjection.

Hon. Mr. Auld: I was there, as a matter of fact. I'm getting a little old for that, but I did my best.

Mr. Van Horne: Did they all fall asleep?

Hon. Mr. Auld: Actually, no. More than 190,000 people visited our exhibit and we expect that many of them will take advantage of the varied experiences our parks can offer them during the seasons to come.

Wildlife management: During the past fiscal year, I approved the implementation of

a new policy for deer management. Among the items we plan to implement as resources become available are: increased effort in selective predator control, emergency funding for helping deer in critical areas, increased enforcement, increased control of harassment of deer by dogs, improved public information programs on deer management, habitat improvement and selective hunting.

This last item, selective hunting, although it's only one component of a comprehensive plan, is obviously one that will have the most immediate and direct impact on hunters, to say nothing of the deer. It can mean seasons restricted to male and female or juvenile deer or it can mean restrictions on the number of hunters of deer in a specific area during a specific time. The choice of the method will depend upon the area of the province in which the hunt takes place.

We're trying to work out both the funding and the mechanics for the various elements and have gone ahead with the public information program. In the spring, ministry wildlife specialists completed two films which provide background for the proposed changes in our deer management policy.

One, called *Shadows in the Forest*, gives an overview of the problems in deer management and the solutions that the ministry proposes. The other, *Habitat Management for Whitetailed Deer in Ontario*, describes habitat requirements, habitat deterioration and some of the corrective actions proposed, as well as what the public can do to aid the ministry.

The target date for beginning the implementation of major changes in deer management, such as the selective harvest system, is 1980.

In 1975 we made some changes in the moose management program in an attempt to reverse a decline in the moose population. These changes were the least restrictive we could have made considering the wants of the Ontario hunter and the tourist outfitting industry, but unfortunately the changes didn't get the desired results.

Moose hunting is a valuable form of recreation in our province. It offers an exciting respite for many hunters. And the economic benefits to our tourism associated with this activity amounts to about \$51 million in one year. It's also a traditional pursuit of native people in remote areas. Therefore, closing a moose season must be considered almost a last resort.

My staff is studying other methods of boosting the moose population, many of which are being used in other parts of Canada and the United States. I'll be receiv-

ing recommendations soon as to which of these methods might be appropriate to cope with conditions in Ontario.

One of the techniques is the controlled hunt—that is where only a limited number of hunters is allowed in a specific area. Last fall, a successful hunt of this type was held in Larose Forest, near Ottawa. It was designed to relieve the pressure of overpopulation in that area and was very successful.

This year, the first controlled moose hunt on Ontario crown lands was held, in the Opasatika Lake management unit, between October 18 and 31. We're waiting for an assessment from local staff of the effectiveness and suitability of the particular methods employed.

These are experimental uses of one moose-management technique, which has the potential of helping to increase moose populations while striving to satisfy the desires of our hunters, tourist operators and others who are greatly concerned about these animals.

There is no question, however, that over the next few years moose hunters will have to tolerate a period of increased restrictions. We're asking the public to help us choose the most suitable and tolerable moose-management options. A brochure—I might add, a very good one—outlining the problems and the options has been circulated since the beginning of October. Public meetings, workshops and open houses are being held this fall throughout the province by our staff to elicit comments from interested people and organizations.

Mr. Foulds: Anybody talking to the moose?

Hon. Mr. Auld: Yes, but we're having trouble translating it. I had one down to see me last August just after I moved portfolios, as a matter of fact, right across the street.

Mr. Foulds: In the office?

Hon. Mr. Auld: No, it's downtown and he couldn't find it—and thank goodness.

In April I announced in the House a major project to complete the research and associated developmental work towards a provincial rabies control program. This will extend over a period of three years and cost \$2.65 million from provincial lottery funds.

Under ministry co-ordination, the funds will be used by a variety of private institutions to perfect the rabies vaccine and a bait for oral vaccination in the habitat of a large proportion of the carriers—foxes and skunks in southern Ontario.

Rabies is a serious disease in our province. We have more cases than any other province or state on the continent. It is estimated that

rabies costs Ontario residents more than \$4.6 million annually.

We're confident that this research program will develop a workable oral vaccine.

Mr. Nixon: For the biter, not the bitee.

Hon. Mr. Auld: Yes.

Mr. Nixon: I mean if you get bitten you have still got to take the shots.

Hon. Mr. Auld: Yes.

One achievement of which I am particularly proud is the development of a more humane animal trap through ministry initiative. It is called a foot-snare live trap. Field tests have shown that it is as efficient in capturing and holding foxes, coyotes and raccoons as the commonly used leg-hold trap.

I saw a film the ministry has done on the trap, how it catches animals, and how they are released. It runs about 18 minutes. We only have one print at present—I saw it this afternoon—and I would like to suggest that we have a showing for the committee say at 7:45 some night, or 10:30, or some other time. It is a worthwhile and fascinating film and I think you will be impressed and surprised.

The main point is that this trap substantially reduces injury to the animals. It is based on the lasso principle, and in tests the trapped animals have no cuts, chewed feet or broken bones. This breakthrough in more humane trapping was spurred by the inventive work of Milan Novak, of our fur management staff, and he deserves very much credit.

We introduced this new trap at the Ontario Trappers Association convention in North Bay last March, and it was well received by the potential users. Ministry lawyers are currently attempting to obtain patents on this new live trap. After that, manufacturers will be licensed to produce it.

The development of this more humane trap reflects our ministry's long-established support of the federal-provincial committee for humane trapping. We have worked closely for years with that committee and plan to continue to do so in the combined search for better, more humane methods of trapping fur-bearing animals.

Fisheries management: In June of this year, implementation of the Strategic Planning for Ontario Fisheries program, more commonly referred to as SPOF, was begun. For the first year of this multivear program, an allocation of \$2 million and 13 staff was approved by the government. SPOF is aimed at improving the state of the fishery resource in Ontario. During the five months since the money and staffing were approved, these steps have been taken:

Our fisheries management capabilities have been substantially improved through the hiring of fisheries specialists in the fields of resource management, fish culture, economics and public involvement.

The Rideau Lakes and Lake Nipigon assessment units are being readied to begin operations later this year. They will join the existing 10 lake-assessment units currently collecting and providing data to fisheries managers.

An automatic regionalized data-filing and retrieval system is being developed. Called the Ontario fisheries information system, it is designed to provide information promptly to ministry managers.

Our fisheries enforcement capability in remote parts of northern Ontario has been improved. Funds from SPOF have been set aside for rental of aircraft for our conservation officers on such assignments.

Rehabilitation of degraded fisheries habitat throughout the province is a top priority. About one quarter of the first year SPOF allocation, approximately half a million dollars, has been allocated for that task.

Evaluation is being made of our fish culture capability to produce fish artificially. Recommendations will be made to indicate how, when, and where this component of fisheries management should be expanded.

SPOF funds are also being used in a co-operative venture with the Ontario Educational Communications Authority to prepare a television series of 13 half-hour programs to inform the public on various facets of the fish resources of our province. Completion of this series is expected early in 1981.

[8:45]

Just before I leave fisheries, I would like to share a feeling of pride I have about our people. One of them, Jim Fraser, a quiet low-profile fisheries research scientist based at Maple, has been doing excellent work for us for many years. This year, he received the distinguished recognition of his peers for having produced the best paper to be published in the transactions of the American Fisheries Society during the past 12 months. This meant that Jim Fraser's paper, entitled *The Effects of Competition with Yellow Perch on Brook Trout, Splake, and Rainbow Trout*, was judged the most significant to fisheries management among several hundred papers from all over North America. Jim's achievement brings status and recognition not only to him but to our ministry.

Lands and waters management: Last spring was a difficult one for many communities because of serious flooding. These unfortunate occurrences point up the need for improving our knowledge and co-ordination

of flood control and watershed management in the province.

Mr. Wildman: Hear, hear!

Hon. Mr. Auld: I thought you would applaud that, Bud.

With specific reference to northern Ontario, I am pleased to advise this committee that I have asked for and received approval to spend approximately \$300,000 to establish 10 stream-gauging platforms in northern Ontario that will greatly improve our ability to forecast the occurrence of high water flows on several major river systems. This will improve our overall watershed management and will have the immediate benefit of being able to advise any community on these river systems when high water may be expected. It is our intention to expand this network in the future to include all flood-prone communities in the north.

In addition, my ministry has recently reached agreement with the federal government, through the federal-provincial flood-damage reduction program, to undertake a water-management study of the Lake Nipissing drainage basin. The study is already in its formative stages and will outline the courses of action that could be pursued to correct water-management problems in that basin.

I would also like to mention two other initiatives that are being taken to improve our flood control and watershed management. One is the flood-plain criteria study, which is ready for presentation to the cabinet. As members will recall, a number of concerns were raised regarding the provincial flood-plain criteria. Many people felt that the existing criteria were too restrictive.

In response to these concerns, my ministry, in conjunction with the Ministry of Housing, undertook a comprehensive review of the flood-plain criteria. A discussion paper was prepared and circulated to interested groups across the province.

After reaction to that discussion paper on flood-plain criteria was received from interested parties such as municipalities, conservation authorities and others, the study was extensively examined by the various provincial ministries affected by flood-plain designations. The recommendations arising from these processes are those being submitted to cabinet.

The second related initiative is flood-plain mapping, the key to effective and comprehensive valley land management. In the federal-provincial flood-damage reduction program I mentioned we joined into an agreement with the federal government in which the two senior governments will assume 90

per cent of the cost. This program will accelerate the identification of the valley land areas in the province vulnerable to flooding under the regional storm criteria.

When the mapping is done, the information obtained will allow the province, the conservation authorities and other local agencies involved in flood control to develop programs which can either keep people and their homes away from the water, or keep the water away from people and their developments.

Associated with the flood-plain mapping program is the release last month of flood-risk maps of the Oshawa area, which were reported in the press in recent weeks. These maps were the result of one of five pilot projects carried out by the federal and provincial governments in different parts of the country. The intent of the pilot projects is to test mapping techniques and presentation formats and to develop specifications towards the preparation of a national flood-damage reduction program.

The cost of controlling flooding and reducing water flows is tremendously high. The ideal way would be to keep all development away from vulnerable areas, but this is not practical in all cases. The flood-plain criteria must be established and accepted on all sides so that a co-ordinated and consistent effort can be sustained to control the damage that the inevitable floods can do.

At the end of May I tabled in the Legislature the report of the Dover Township Flood Review Committee. At that time, I noted that the committee found the present provincial policy for planning for flood emergencies to be basically sound, but offered some suggestions for improvement.

Since that time, my ministry has worked with the Lower Thames Valley Conservation Authority and the municipalities affected to develop contingency plans for Dover township and other local areas. Seminars on ice management are also to be set up and steps are being taken to get changes in legislation which will assist in better planning and action during flood emergencies.

Another major watershed study is the one now being carried out for the South Nation River basin. We hope to get the federal government to come in with us on a Department of Regional Economic Expansion agreement to assist in this complex study. Although this year has not seen serious flooding of the South Nation, there is a massive problem there with 30,000 to 50,000 acres flooded most years.

We have capital works under way in the Plantagenet and Chesterville areas where critical problems exist.

But these steps can only provide partial relief. An overall study is vital and it will include recommending corrective measures for the entire basin and will address water-quality and quantity control, industrial-agricultural supply, sedimentation and so on for economic enhancement in the South Nation basin.

Last December, the ministry embarked upon the Ontario Basic Mapping Program, which is planned to cover the entire province in about 13 years. This program will be based on the common grid required for the referencing and quick retrieval through computers of the information required for more effective management of resources. It is of vital concern to governments, municipalities, industries and many others.

To keep the scale consistent, maps for northern Ontario areas will be at the one to 20,000 scale and those for southern Ontario will be at the larger scale of one to 10,000. Urban mapping will be at one to 2,000, the very large scale which is suitable for municipalities.

Under the regional-priority funding program of the Ministry of Northern Affairs, work has begun on a one to 20,000 scale resources mapping of a block from Wawa to Sault Ste. Marie to Mattawa to New Liskeard. Completion of the final maps for this block is scheduled in the years 1980 through 1982. This program also provides for large-scale mapping which is now being carried out of about 40 northern urban areas.

In the south, the London to Niagara area is now 60 per cent mapped and completion is scheduled in 1980-81. This past spring, mapping was begun for an area east from Brighton to the Quebec border and another between Stouffville and Peterborough.

The Ontario Centre for Remote Sensing uses sophisticated techniques to apply data obtained by sensors on board satellites and aircraft to resource development and management. Two current projects by OCSR show a great deal of promise in improving our resource management capabilities through the use of remote-sensing techniques. For example, a test is being undertaken using satellite imagery to take broad inventory of the forests north of 52 degrees latitude. That's the vast far-north part of the province where few roads exist, where Fort Albany, Attawapiskat, Windigo Lake, Big Trout Lake and Winisk are located.

And in six northern Ministry of Natural Resources districts, Ignace, Nipigon, Gerald-

ton, Cochrane, Kapuskasing and Chapleau, a large-scale test is being undertaken of a new aerial photographic technique for assessing the state of forest regeneration. Cost savings are not expected this year, because the experimental state of the project also requires ground sampling to refine the technique, but it is anticipated that when the tests prove out, considerable savings will result as will increased speed in the evaluation of regeneration.

Mineral management: This past summer, ministry geologists pressed forward in geological, geophysical and geochemical surveys, identifying favourable locations for mineral and aggregate deposits and providing increased knowledge and understanding of the geological history of Ontario. Data on mineral deposits were compiled and areas having significant potential identified.

I would like to mention other special studies and surveys that are under way. One such program is in the Kirkland Lake area where a variety of geoscience surveys are being employed to stimulate exploration by the private sector. Funded equally by the Department of Regional Economic Expansion and the Ontario Ministry of Northern Affairs and managed by my ministry, the five-year program, now in its second year, has already attracted industry attention through the release of airborne electromagnetic maps in September. A fivefold increase in claim staking in the 28 townships covered by the survey, is a measure of the interest. What this excitement in Kirkland Lake indicates is a new buoyancy of mineral activity, for which Ontario is well prepared.

Other related projects completed in 1979 include stratigraphic mapping of the Larder Lake section of the Kirkland-Larder Lake gold belt, drill sampling of the bottom layer of glacial debris or basal till in six townships south of Larder Lake and surface mapping of a 1,950-square kilometre area north and west of Kirkland Lake.

All of these projects will be continued in 1980 but results of the 1979 surveys will be published in preliminary form to place them in the hands of potential users as soon as possible.

Another five-year program, the Northern Ontario Geological Survey program, entered its second year this summer. This is another program funded by the Ministry of Northern Affairs for which my ministry provides the co-ordination and the expertise. This program comprises a group of commodity- and community-based projects aimed at stimulating exploration, introducing new concepts and providing data for land-use planning.

Simulation projects are under way at Cobalt and Atikokan. They consist of geological surveys, mineral deposit studies and where appropriate airborne geophysical surveys. Commodities such as molybdenum, chromite, cobalt, gold, silver and industrial minerals are under study. A five-year engineering and terrain-analysis project started this year should provide needed data on potential aggregate and land-use capabilities.

Another Northern Affairs-funded program, the Northern Affairs Geological Survey program, was completed in 1979, and most of the information has been published in final or preliminary form. Under this program lignite and peat deposits were studied. The geology of the Burnt Bush-Detour Lake area was mapped. Airborne electromagnetic surveys were made of Red Lake and Marshall Lake, and vast areas were subjected to engineering and terrain analysis. Also completed in 1979 was the Pembroke-Renfrew Stimulative Program, which was funded by DREE and the Ontario Treasury. The resulting data is being published.

[9:00]

In all, the studies this summer involved 48 field projects, employing approximately 125 students under supervision of our geologists.

Other programs aimed at simulating exploration are the Mineral Exploration Assistance Program, under which assistance is provided to approved exploration programs in certain designated parts of the province, and a Geoscience Research Grants Program. This program provides funding for research in Ontario universities on mineral deposits and environments.

Geoscience reports and maps produced to date for this fiscal year number 649. The significance that the geoscience surveys have in assisting the private sector to home in on economically valuable deposits was recently illustrated when the findings of a ministry geologist caused a major exploration company to spend a large sum of money to re-evaluate a molybdenum deposit in north-western Ontario which may be of significant economic value.

Our geologists do not devote all of their attention to the needs of the specialists in mining, important though that role is. One publication by the Ontario geological survey which I find fascinating, and think you may, too, is the geological highway map of southern Ontario, published this year.

This map indicates the various geological formations in the southern part of the province and is aimed at the general travelling

public, students of the earth sciences and professional geologists. If you are driving by an escarpment, a particular outcrop, or looking at interesting topographical points in your travels, this map gives some indication of what they are and how old they are estimated to be.

Mr. Chairman, I recommend this map to you. It goes for \$1 at the government bookstore but we are going to hand out some free ones at the next meeting.

An hon. member: We will be there.

Hon. Mr. Auld: And it's really quite fascinating.

In the field of mineral resource economics, four new mineral policy background papers, prepared by ministry staff, were released this year. They were, first, Factor Substitution and Biased Technical Change in Canadian Mining. It is a study of the mining industry's ability to react to changes in the relative costs of key inputs. That's like for the front door and stuff like that.

Second, Guide to Legislation Affecting Mining in Ontario, which is a guide to help people in the mining industry sort their way through government regulations which affect their operations and planning.

Mr. Nixon: That's in 10 volumes?

Hon. Mr. Auld: As a matter of fact, it is a very thick document and it shows you what is involved between the feds, the province and municipalities in getting explorations started. I commend it to you and I'll be delighted to bring a copy and read it to you.

Mr. Foulds: Do it on your own time.

Hon. Mr. Auld: Question period.

Third, Platinum-Group Metals—Ontario and the World. This is intended to provide a comprehensive analysis, understandable to the layman, of this very important group of metals. Ontario's Sudbury basin is the single largest source in the world for platinum-group metals.

The fourth mineral policy background paper was released in August. Entitled World Mineral Markets—An Econometric and Simulation Analysis, it is a new analytical tool for the industry to be used to project what would happen to various mineral markets, given a range of economic, political and technological changes as well as past trends.

In conjunction with the release of this paper, our staff put on a successful seminar for interested persons mainly from the industry, but also including specialized journalists. Subsequently, this paper has aroused keen attention, not only within our own borders, but also in the mining community internationally.

To bring you up to date on the junior mining situation, it will be remembered that our ministry commissioned two studies by outside groups and released their reports last year. I expect that discussions between the industry and the Ontario Securities Commission, and possibly my ministry and the Ministry of Consumer and Commercial Relations, will hopefully resolve problems relating to the regulation of junior mining issues.

I would like to mention also that the government has taken two steps in the last budget which should encourage some increases in exploration activity in the province from the junior mining sector. These were the raising of the exemption from the mining tax from the first \$100,000 to the first \$250,000 of mining profits, and the introduction of the small business development program to encourage equity in investment.

The proposed Aggregates Act received first reading in June. During this session, next Tuesday, it's scheduled for second reading, after which the act will be referred to this committee.

Mr. Foulds: Do you have an opening statement on it?

Hon. Mr. Auld: Do you want to use it tonight?

Mr. Foulds: No, no. Carry on.

Hon. Mr. Auld: This proposed act would replace the Pits and Quarries Control Act of 1971. In the new legislation, a number of sections and definitions in the current act have been reworded and new sections and definitions added to provide for better enforcement, rehabilitation work, and administration.

The new provisions provide for better rehabilitation of pits and quarries, more liaison with the municipalities concerned, remuneration to the municipalities and the power to suspend licence.

Pits and quarries on crown land in designated areas also come under this new legislation.

Mr. Wildman: Ban the designated areas.

Hon. Mr. Auld: It is proposed that the rehabilitation security deposits would be raised to cover more adequately the cost of rehabilitation. More detailed site plans would be required and funds would be made available to rehabilitate abandoned pits and quarries.

Forest management: The provincial forest industry is in healthy shape. In fact, not for decades has there been the sustained and buoyant market for forest products of all forms that has existed since late 1977. Pulp

and paper markets are expected to remain strongly competitive through 1980 at least.

During this fiscal year, we estimate a total of 590 million cubic feet of timber will be harvested from crown lands in Ontario. This is about two per cent over 1978-79.

On July 1 of last year we implemented the amendments to the Crown Timber Act which introduced crown dues indexing to forest-product prices. This system varies crown timber dues every calendar quarter depending upon the selling prices of forest products. There have been very few complaints from the forest industry against this new indexing system.

Revenues received during 1978-79 amounted to \$34.9 million. It was during that period that crown dues indexing was introduced part-way through. The previous fiscal year, 1977-78, revenues were \$32.4 million. And during this year, 1979-80, it is anticipated that the indexed stumpage system will generate about \$40 million of revenue for the province.

Last December, a DREE agreement was signed on forest management in northern Ontario. Proper acknowledgement should be given to the federal government for its role in the mutual recognition of the need to increase and intensify forest management in our province and, further, for the recognition of the benefits, social and financial, which will accumulate to both levels of government because of better utilization of the forest resource.

This DREE agreement is for five years and allows a total expenditure of \$71.5 million on a 50-50 cost-shared basis between the two governments.

There are five basic components in the agreement with the main emphasis on the construction of primary, all-weather forest access roads. This program is additional to the existing road-access program currently being undertaken by the private sector and the province in northern Ontario. As has become abundantly clear, the lack of such access roads has been a serious impediment in a sustained and successful forest management and regeneration program.

Other components of this agreement include assistance to silvicultural operations, improvement of tree-nursery production, soil surveys and evaluation of unharvested and unregenerated cutover areas for the planning of future forest management operations.

Such accomplishments as the completion of the forest inventory in northern Ontario and the DREE agreement for forest access roads are major contributions towards en-

hancing our forest management and regeneration program.

I'd like to devote a few minutes to a status report on forest regeneration for the benefit of the committee.

Interjection.

Mr. Nixon: Don't be provocative.

Hon. Mr. Auld: In 1972, cabinet approved a forest production policy which included a silvicultural program that would ensure sufficient areas on crown land and private land would be regenerated to sustain a harvestable crop of 910 million cubic feet annually by the year 2020. To follow the policy, the ministry prepared a 10-year implementation schedule which would reach the required regeneration level by 1983. Despite funding and staffing constraints, regeneration did increase by a creditable nine per cent, or 12,500 acres, each year.

In 1977, we reviewed the production policy and concluded that the 1983 target levels could not be reached. A new implementation schedule was adopted, allowing for funds available and the changes in wood consumption patterns, in which approved target levels would be reached by 1985. To achieve this goal, we have to increase our regeneration effort from the present 12,500-acre annual increase to a 27,500-acre annual increase.

Management board has acknowledged this need and provided increased funding for the next five years. The increase for 1979-80 is \$4.3 million, and for 1980-81 it is to be \$14.3 million. The need for key staff to implement much of this work was also recognized by approval being given for 28 positions in those two years.

We have taken other steps to further forest regeneration. Marie Rauter, one of our experienced forest research scientists, has been appointed tree-improvement specialist, to develop a 10-year implementation schedule for a program to produce genetically superior seed and seedlings for the commercially important timber species used in the regeneration program. When that program is in full swing, it is anticipated that increased yields of 15 per cent will be obtained through genetic improvement.

These efforts will constitute a considerable investment in the future of Ontario's forest industry. This investment must be protected by ensuring that the established regeneration will develop into a harvestable crop of the highest possible yield and value.

One thing we must do is to make sure that such regeneration will not be crowded out by competing shrubs or overtopped by less

valuable species. Aerial application of approved herbicides is an efficient, safe and relatively low-cost approach towards protecting the public investment in regenerated areas.

Aerial application of approved herbicides has been used in forestry in Ontario since 1954. To the best of our knowledge there has been no recorded incident of adverse effect on the environment or public health, other than that connected with careless handling or application.

In this connection, the Minister of the Environment (Mr. Parrott) stated in the Legislature last May that the use of 2,4-D, other phenoxy herbicides and picoram had been reviewed by the Ontario pesticides advisory committee. The review included the quantities of herbicides used by provincial agencies and ministries, including our ministry, and an overview of the programs that were administered. The conclusion of the pesticides advisory committee report was that the effect of these herbicides on the environment is minimal, and that the programs run by the agencies and ministries are both safe and effective.

[9:15]

In 1979 the MNR herbicide spraying program covered some 35,000 acres and took place in most districts in the northern, north central, and northwestern regions, as well as in the Tweed district in the eastern region.

Although the use of approved herbicides and pesticides is one of the most regulated activities through legislation, the ministry will continue to strengthen its operational controls, as well as ensuring that the public is adequately informed of such operations in advance. This past summer, all spraying projects were advertised and the public invited to view the spraying plan in our offices. The public was also invited to an open house in each of the districts affected to discuss forest-management programs with our staff. An information booklet on aerial spraying was widely distributed.

Mr. Foulds: It wasn't available in Thunder Bay when you said it was.

Hon. Mr. Auld: The spruce budworm outbreak in Ontario expanded this year and now covers about 44 million acres. Our overall approach to the budworm is to let the infestation run its course. However, certain high-value or critical wood supply areas must be kept green. Consequently, we sprayed seed-production areas, some key recreation areas and those commercial forest areas critical to a mill's wood supply for the next five years. The area sprayed was just over 50,000 acres or

less than 0.1 per cent of the infested area in Ontario.

The largest budworm spraying projects were in the Geraldton district—20,700 acres there—and in Kirkland Lake district, 28,000 acres. Smaller projects were conducted in Chapleau, Hearst, Kapuskasing, Gogama and Cochrane district.

Environmental monitoring of all these projects was conducted by an independent consultant to check the effects on fish and birds, off-target drift of spray and the persistence of the pesticide matacil in soil and water. In addition, the Federation of Ontario Naturalists and Pollution Probe were invited to send observers to these operations.

Last March in Kapuskasing we held the second forest regeneration conference. As with the first conference in Thunder Bay last year, those attending were foresters and other representatives from our staff, from private companies, the Lumber and Sawmill Workers' Union, the federal forestry service and the universities and colleges.

This year the central theme was black spruce regeneration. The papers presented and the discussions that followed were a strong beginning for the sharing of expertise on the problems of regenerating this valuable species.

As for forest-management agreements between the ministry and private companies, amendments to the Crown Timber Act which would allow such agreements have received first reading in the Legislature and will be on the agenda for second reading next Tuesday. As preliminaries towards such agreements, surveys of lands not regenerated satisfactorily have been completed with four companies—Abitibi Paper Company Limited, Spruce Falls Power and Paper Company Limited, Great Lakes Forest Products Limited, and E.B. Eddy Forest Products Limited. Ground rules containing management practice guidelines and standards and related ministry costs of regeneration have either been prepared or are in an advanced state of preparation.

Once the legislation is passed, the signing of forest management agreements will begin.

I'm sure, Mr. Chairman, it's to everybody's regret that this concludes my opening statement for these estimates. I have provided considerable details on various activities of my ministry in the hope that they will be helpful to us in the discussions to follow.

Mr. Chairman: Thank you, Mr. Minister. That's almost as much work as the writing of the New Testament.

Now we will have the Liberal critic.

Hon. Mr. Auld: Would you rather have it on the head of a pin?

Ms. Bryden: In the interest of saving, would you make your margins half the size next year?

Mr. Chairman: Before I forget it, as you all know we will not be sitting next Tuesday evening. Therefore, we will be at work at eight o'clock on Monday evening. That will give everybody a chance to see the King Tut exhibit.

Mr. Nixon: I am glad to have an opportunity to express some views on the report by the minister on the expenditure of the \$261 million he anticipates using during this fiscal year, which is considerably more than half over.

I have known the minister for a good long time and also his deputy, particularly when his deputy had left the ministry and gone with a different type of responsibility to the Premier's office for a time. I certainly have found that any time I personally have contacted any office of the ministry I have been very well served indeed by the staff at all levels.

I am sure you are aware, sir, that the responsibility of the ministry lies largely in northern Ontario, since the statutes of the province have given most of your everyday operating responsibilities for forests, parks and so on to our conservation authorities. I want to deal with that a bit later in my remarks. Presumably a large proportion of your staff and most of your policies deal with the northern part of the province.

I don't happen to see Mr. Ringham here tonight. I presume he hasn't been demoted or retired, or anything like that, and still occupies the position of Assistant Deputy Minister of Northern—

Hon. Mr. Auld: He will be here on Monday.

Mr. Nixon: I mention that because it is not like him to miss the minister's speech. Also, I can recall that in the last substantial legislative tour in northern Ontario, the last really useful one, Mr. Ringham was not as senior as he is now but had been given a considerable degree of responsibility for looking after the visiting legislators. I thought at the time, and still do, that he was particularly well equipped to do so. He had a rather free and easy but informed style which I remember very clearly; I still think of him as a very useful member of the ministry.

I don't want to belabour the topic—I guess I talk about it every year—and that is the importance of such a tour for the members of the Legislature. Those people who live in

the north and are elected from the north are extremely familiar with the various programs you refer to. Most of the people in this Legislature from the southern part of the province tend to write it off as something over which they have no control, or they abdicate their control through a lack of interest. They say others can do that.

The arguments that come from the north, the feeling many of us as politicians have had that the northern people feel they are simply exploited by the government in Toronto and the heavy expenditures to serve the large population here, is a feeling that most of the members of the Legislature have never experienced. It is usually relegated to page 97 in the *Globe and Mail*, if at all.

You really have to be politicking in the north to realize the substantial dissatisfaction that still exists there—not with the Ministry of Natural Resources or anything like that; just the general concept that they are a long way from the seat of government; that their hard work goes to pay taxes of many descriptions, royalties that accrue to the government for programs the northerners feel aren't as useful to them as they might be.

This alienation comes and goes a bit. I don't feel it is any stronger now, even though there seems to be a northern Ontario party developing with Mr. Deibel, who was in the gallery just a few days ago, as its leader. Sometimes in the past, when the very heavy problems of the north—mercury pollution and so on—have come upon us, there has sort of been the feeling that maybe it would be a good thing to have two provinces and shuck the difficulties that way.

I am speaking facetiously, of course, because I think the people of the north are right. The value of their resources have supported a good many of the programs and in the buoyancy of our economy in this province it has been a fortunate characteristic for decades.

I say again, in my view it is regrettable there have not been more suitable opportunities for the members of the Legislature to travel into the north on an organized tour. It is true that under our new perquisites as members we can make five plane trips to any place in the province served by commercial airlines, so we could fly to Thunder Bay if that thought ever occurred to us, or to Kapuskasing or some of those places. I have been there many times myself and I know many other members have as well. But most of the members have not, or if they have, it has been in and out to a political meeting, or perhaps to a brief conference.

I remember, as one of the finest and most useful experiences in my political career, the tour organized by the Ministry of Lands and Forests as it was then, I think, which allowed us to cover a very large part of northwestern Ontario. It was not just a political progress to show off the Premier, the opposition leaders and certain cabinet ministers at various municipal functions. These we have also experienced; they can be extremely tedious and very bad for your health.

What I am talking about, and I should perhaps be able to give it a date—Ronnie, you might remember exactly when it was. It involved the use of the Ministry of Natural Resources' air force. I believe we used no fewer than 14 of their bigger planes, the big Otters; maybe some of the Beavers, but mostly Otters. The logistics of the program must have been extremely difficult to line up. We went from Thunder Bay right up to Port Severn, the very last habitation on Hudson Bay that is still in Ontario.

We stopped at Trout Lake. It wasn't quite the land of the midnight sun, but I can remember a legislative foot race against a number of Indian residents, held about midnight, in a sort of intercultural affair, which was extremely successful as I recall it.

The legislative party slept on the floor of the schoolhouse. We were provided with sleeping bags and good food, primitive washing facilities which didn't hurt us in any way—yes, Osie, you were there. We went into all of these communities and actually met the people in a way I thought was extremely useful.

We were at Winisk, Attawapiskat, Albany, Moosonee, but essentially it was northwestern Ontario. We visited some of the major lumber operations and sawmills and we were taken right out into the field where tube seedlings were being planted by large groups of people. The arguments went on—I remember Don MacDonald was there at that time as well and certainly the arguments about reforestation were extremely powerful at the time. There were the usual dire warnings from the opposition, which in the event have turned out to be correct, and the inadequacies of these programs were brought forward then.

It is very difficult to interest most of the members of the Legislature in these forest regeneration problems. The only interest, really, that has been stimulated recently was the Brampton charter that the member for Beaches-Woodbine (Ms. Bryden) mentioned just by way of an interjection, where the phrase, "two trees for one" caught the attention of many of the southerners, and a lot of

approval really redounded to the Premier for this farsighted program.

The knowledgeable people, particularly the ones in your ministry, Mr. Minister, knew it was a ridiculous over-simplification and a matter which must concern us very deeply, if we are going to have a northern resource in the lumber industry and in the pulp industry that is going to continue in a planned and expanding way.

Somebody mentioned something about your speech. Certainly it is going to stimulate the paper industry, indeed—70 pages, which will no doubt be reprinted in many copies and mailed to everybody your large staff can think of—

Hon. Mr. Auld: And only on one side, too.

Mr. Nixon: Not only on one side; it is set up more or less like iambic pentameter. I tried to scan it and it is as close to iambic pentameter as you can get without being a poet. It is true there is a lot of white space, but you don't make very many long speeches and I did find it rather easy to read. There weren't too many typos and you read it in your own inimitable style.

Hon. Mr. Auld: You don't care about dinner tonight?

[9:30]

Mr. Nixon: I'm obviously not in a great hurry myself. I do want to emphasize the fact that this northern tour ought to be in the mind of somebody with some initiative, maybe not too much time. It was done well once only in the last 20 years and it's time that it was done well again. I would hope that a time can be found when the members of the Legislature are not totally consumed by election preparations, select committee work and so on, when all of us can go—or almost all of us can go—because it has uses above and beyond marching through sawmills that I'm sure you can recall, Mr. Minister. It confirms—and I've said this before—that the geographic centre of the province is not at North Bay, or somewhere like that, but it is well north of Kapuskasing.

As well, I mention the fact that it's quite worthwhile to spend a half a day fishing. I just thought, as a footnote, that I'd bring that to your attention as well.

I know many members might consider it a waste of time. I hope not. I really think we ought to take the trip and have 75 per cent of the members there, because most of us don't know what goes on north of Gravenhurst. Frankly, I have a feeling that many members don't care. But it's there; there are a lot of great people there, a lot of great industry. We hear about the potential, al-

though we're concerned that the potential does not seem to be expanding in the way we've grown accustomed over the last three or four decades.

I was also concerned that the minister in his lengthy speech did not see fit to make any specific reference to the tragedy that took place at Nakina this summer, with the death of seven junior rangers—or, at least, the junior rangers and others. The minister certainly will recall the concern expressed in the community at large about this. It was raised in the Legislature very properly and there were responses at the time. The inquest has now been completed.

Hon. Mr. Auld: No, it hasn't.

Mr. Nixon: It has not been completed?

Hon. Mr. Auld: It starts next week.

Mr. Nixon: The review of the circumstances had been completed and there was information not forthcoming because the inquest was imminent.

I feel that we would be remiss in voting this money if we did not, at least, have a discussion of the circumstances. I'm sure the minister is aware that some of his own employees were so concerned about this that they felt constrained to contact people in the opposition. I know for a fact they contacted the Liberals, and the person who spoke to me said that he has also spoken to the NDP.

The person's concern was evident in his approach, which was anything but a trouble-making approach. The concern that he felt was certainly extended to any one who had a chance to listen to him. He felt that there was no excuse for these young people having been assigned the duties that ended in their tragic death. He also felt that it was as a result of the improper utilization of programs to provide employment for young people through DREE, through Experience '79, through federal youth employment programs which, undoubtedly, saved the ministry some money. But the view is strongly and sincerely expressed that it was a misallocation of those funds, certainly, and I'm sure with the best of intentions, but with a tragic result.

I don't want to speak irresponsibly on this, in this matter, but it was also brought to our attention that some of your supervisors had specifically raised the matter at a conference held by the ministry in criticizing ministerial decisions from the previous season. It was indicated there, we are told, that some of your administrators had objected to the program which utilized these funds for assigning duties to young, inexperienced, untrained people which, it was felt before the accident, were needlessly dangerous and would lead

to a disaster. Unfortunately the fears that had been previously expressed turned out to be real.

I think this is a matter which, I suppose, might wait for the inquest, but it's got to be raised in these estimates since it is a matter of such major concern. The minister might want to say something further about it when we come to the individual votes. I know that I would like to refer to it further.

I also mentioned the matter of the conservation authorities. I'm not speaking for my Liberal colleagues in the position I want to put now, but as the first speaker for the Liberals, I still want to put it to you.

I have been much interested in the work of the conservation authorities for many years, since they began. I served on a select committee on conservation authorities that reported about 1965. The recommendation there was that the geographic jurisdiction should be expanded to cover as much of the province as possible. There were still some watersheds that had not opted for the conservation authority organization because they felt they got as good service at a lower dollar cost locally by simply availing themselves of, as it then was, the Department of Lands and Forests programs. Frankly, I don't think they were too far wrong.

The recommendation of the select committee at the time, in which I joined, was that there should be a uniform approach. If we were going to have conservation authorities in the southern part of the province they should cover all of the province, so all the municipalities would have the opportunity to avail themselves of their advantage and, what should probably be listed as number one, have the responsibility to pay for the cost. Some of them were, undoubtedly, getting off scot free.

I also felt that the conservation authorities have, at least in a part of their history, been improperly used. I don't mean illegally, but improperly used, and funds that were used for stream bank erosion, channel control, and so on, were actually glorified sewage disposal systems. A good deal of money was funnelled through conservation authorities for programs which should have been more logically funded through certain municipal programs and certain others dealing with environmental control.

The conservation authorities originally sprang from the brow of George Drew. They were one of his 22 points in the election of 1943. I can remember the discussion and debate at that time quite well.

Stop yawning.

Mr. Foulds: It was a delayed reaction.

Mr. Nixon: It was a premature reaction.

My father, who was the Premier at the time of that campaign, was very much interested in it since he had been minister of a department called game and fisheries which had part of your responsibilities.

Actually, his portfolio was a rather mixed bag involving correctional services, probably because the big one was up near Sudbury at that place you just closed down, Burwash. There is very good fishing there, the minister told me at one time. Also the companies branch was a part of the portfolio, so you can see it was a rather strange alignment of responsibility.

But the old Liberal government had been moving toward the establishment of—

Mr. G. I. Miller: That would be a long while ago, Bob.

Mr. Nixon: No, I can remember it, and you can too, Gordon.

Mr. G. I. Miller: I can't remember it.

Mr. Nixon: What the devil were you doing in 1943 if you weren't in politics?

Mr. G. I. Miller: I was playing a lot of ball in those days. I was just a kid.

Mr. Nixon: Yes. Anyway, the first approach to this was something called the Grand River Conservation Commission. It's gone on to become the conservation authority, the largest one and the one with the largest budget, I would expect—no, I suppose the Metropolitan Toronto one has a larger budget. This is the oldest one, or one of the biggest ones.

Hon. Mr. Auld: For a while there were two, don't you remember?

Mr. Nixon: Yes, the commission and the authority. No, I don't think there were two.

Hon. Mr. Auld: I don't know.

Mr. Nixon: Things were worse than I thought.

Hon. Mr. Auld: They were.

Mr. Nixon: But I'm sure you have all read the report on the Grand River Conservation Authority authored by Mr. Palmer, a former Deputy Minister of Municipal Affairs, a former chairman of the Ontario Municipal Board and who is now doing a rather broad spectrum of special chores that the government finds for him from time to time. He is a very able man.

I don't know whether you've read the report or not. I certainly have. Essentially, it had to do with regional government in Waterloo, but there was a section on conservation authorities which I recommend to any one who is interested in this area.

He really recommended that that conservation authority was approaching the end of its usefulness in its present form. He felt that with the municipalities involved in the conservation authority and with the role the provincial government plays there was such a degree of conflict from the standpoint of the municipalities serving the people, having a certain degree of responsibility for the cost, and the government of Ontario, which really had the last word—certainly in flood control and so on—that its usefulness, in its present form was definitely approaching an end.

I should tell you something that you may also be aware of, that there is a good deal of public feeling about the role of the conservation authority in our area. There was criticism which I and other members voiced in the Legislature about their lack of leadership, lack of planning, in the flood situation that we experienced this last spring and it was not the first time.

I notice in your speech that you are having some sort of review of ice management or something like that. Certainly this is overdue because spokesmen for various conservation authorities obviously had different answers to that problem. That was just a small part of it.

The chairman of our authority, Jim Bauer, who has been chairman for a good long time, is highly respected. There is no question about that. He has operated the authority in an excellent way. It has grown in a bit of an empire-building way, I would say, and it now is housed in an extremely fine facility, very fine indeed. There is a tendency for this to happen. When an authority such as this or a large school board or a regional municipality or something like that once gets established, then the members of the authority begin thinking about the acquisition of a site and then finally the collection of moneys for a proper administrative centre.

The staff, once again, is outstanding. I say that sincerely and I say that with a certain degree of self-preservation since many of them not only are electors in my area but are good friends of mine. They might very well be working directly for the ministry and I am not at all sure that their functioning would not be improved through the uniformity of the application of an approach to flood control, the operation and supervision and administration of parks, the provision of assistance and guidance to farmers in woodlot management, the planting of trees, the provision of assistance both technical and financial in building ponds and things associated with conservation.

In my own area—perhaps not in my own constituency, but within an easy drive of my

home—we have a number of municipal parks. We have a number of conservation authority parks; I would think some of the best anywhere in the province. Pinehurst is an outstanding example. Brant Park is a beautiful acquisition of property. We have a number of department of highways parks which you shouldn't dismiss because although camping is not allowed there are very elaborate picnic facilities and, of course, there are provincial and federal parks, the Long Point park, part of which has just been taken over.

It seems to me that if we are looking for a way to cut back on costs, stop overlap and co-ordinate the approach, particularly for standardization and procedures for flood control, the proper allocation of funds for flood control and for the proper control of flow, we are at least going to have to look at the conservation authorities once again.

The last thing I am suggesting is a select committee. I don't believe that is necessary. But I do think that the level of concern of my constituents leads me to say to you, Mr. Minister, that I agree with the Palmer report with reference to the conservation authorities.

As you know, the conservation authorities have taken over an extremely important role in planning. They are one more authority that anyone within the flood plain or within a certain distance of the flood plain has set off by the level to which the water would have risen if Hurricane Hazel had centred on the Grand. Anyone building there must get the approval of the conservation authority and it really means a fairly elaborate and extensive additional planning procedure.

My own feeling is that it might very well be left to the municipality to consult with the conservation authority, which is the creature of the municipality as well as the creature of the province, and not to give the conservation authority an independent planning veto. It should be a requirement that either the provincial or the municipal planning authorities, or both, have to consult with the conservation authority and deal with those recommendations subject to the criticism from the members of the authority or from the members of the Legislature that in my view provides a proper balance and a proper safeguard under these circumstances.

[9:45]

I wanted to express these views. The member for Renfrew South (Mr. Yakabuski) is here, your parliamentary assistant, who spoke in Brantford at the 45th anniversary of the Grand River Conservation Authority. He made a good speech, as he always does.

Without sounding like an ingrate, however, I want to say it is difficult for me as a tax-

payer to see why the conservation authority should have had a luncheon in the Brant Golf and Country Club—certainly not a conservation authority. It is sort of the last remnant of privilege in our area. It is a very beautiful place indeed. My brother-in-law is the president; I couldn't get a membership.

They had delegates from every municipality in the watershed just a few weeks after the flood which, I would say frankly, and I think even Mr. Bauer would agree, had caused a certain disintegration of the feeling of approval that the conservation authority has had for a good long time. But here we are, celebrating the 45th anniversary of Mitch Hepburn's establishment of the Grand River Conservation Commission. It was hard for me to figure, other than that good old red-neck response that this cost too much. I suppose I should have walked out in high dudgeon but I knew that my colleague and friend from Renfrew was going to be speaking. I had been invited by the authority and there I was.

Hon. Mr. Auld: And it was on high ground?

Mr. Nixon: Yes. Overlooking the river.

Hon. Mr. Auld: Overlooking, I see.

Interjection.

Mr. Nixon: I personally feel that we should be reviewing the conservation authority concept. If I had my way—and it doesn't look like I am going to have it—I would like to see the Ministry of Natural Resources working in co-operation with the municipalities in all parts of the province to provide the flood control, the river controls that are needed; to provide provincial parks in conjunction with the municipalities or independently of them; to provide the services for farmers and land owners having to do with their woodlots and with the conservation of their water supply; to advise and assist in the reforestation in the south. What is the better phrase in the north?

Interjection.

Mr. Nixon: Anyway, they need reforestation there too, I guess. I believe it would be a better utilization of our funds that I approve of the approach taken in the reorganization of government that established the Ministry of Natural Resources. I know there was an outcry when we found we didn't have a Ministry of Mines any more, and so on. I may have been one of the people who were at least passing on the outcry. But the concept of having a ministry of government that deals with natural resources in the whole province, in my view is a good one.

While I know that the conservation authorities have been an extremely good concept now for many, many years, really going back to about 1937 or 1936 and then with the reinforcement of the concept from a conference at the then Ontario Agriculture College, and from the policies of the new government in 1943, that they have been well received and have done excellent work, that does not mean they should be a part of the structure of government without change and forever. I hope you will understand that I put my views to you on a personal basis and that I am not speaking for my colleagues in that connection.

I have three or four specific things also that I want to raise in this matter.

You deal with hunting. It is not an industry, but a role of your ministry. I am not a hunter myself although I am really tough on groundhogs in our own area.

By the way, I wish you would run a project on groundhogs because of the depredation they work on our farming areas. Nobody seems to know what to do about them except get lots of kids about 20 years old with good rifles—that is the best way. We have tried many things and they are still a mile ahead of us.

They are the best-fed animals in the province. They eat nothing but the best alfalfa and a lot of it. They are very, very bright animals and they get to the high ground and they watch. You have to get them when they are otherwise occupied, i.e.—well anyway, as the cardinal would say I would leave it to your imagination.

All you need to do is fly over our best farm land and see how much of the crop is eaten by groundhogs. They are attractive, cute little devils and there is going to be a "save the groundhog" movement come out of downtown Toronto, that is for sure, but we have got to get the little so-and-so's before they get us. I am sick and tired of cultivating alfalfa for them to eat.

Anyway, we were talking about hunting. I personally feel that the approach towards the control of hunters has probably gone too far, at least in the minds of some of your employees. I was very well treated by one of your officials—it might have been the deputy minister, I don't know whether I phoned him or not.

I had a number of complaints from our own area where the examinations required for young hunters have got to the point where nobody can pass them; no reasonable young man can go in and pass the examination.

A specific instance in my own community involved about 15 or 20 young men and two

or three young women. Most of them had taken a course offered under the auspices of, although not by the ministry itself. It was run by people who were prepared to have these young people come in and learn about guns and about hunting. Recognizing this and that and all the safety procedures. It had gone on for four or five evenings. They had all of the publications the ministry had given them about how many pounds it takes to shoot a bow and arrow to kill a moose and all sorts of really esoteric details.

Hon. Mr. Auld: It takes a lot to shoot both the bow and the arrow.

Mr. Nixon: All right, okay. Well anyway, in this instance about 20 of them went for the examination.

Interjection.

Hon. Mr. Auld: I can think of a better place. However, press on, Bob.

Mr. Nixon: Anyway, about one out of the 20 got his/her hunting licence. I don't think that is good enough. I really think that the officials of the ministry hadn't been briefed as fully as they might have been in dealing with these people.

Hon. Mr. Auld: They certainly haven't. When I was in management board I failed the first time. It cost me an extra five bucks.

Mr. Nixon: You mean you failed as chairman of the management board?

Interjection.

Hon. Mr. Auld: No, no. I failed my hunting licence.

Mr. Nixon: Oh, because it may have cost you five bucks, it cost us \$500 million.

Hon. Mr. Auld: Actually, they had another staff reduction. It can happen to anyone.

Mr. Nixon: Okay, well, the fact you failed probably means that they are tough and objective. I think that passing one or two out of 20 of people, who according to my experience had undertaken rather full and reasonable training and review—and I was approached by fathers in this connection whom I know personally and who are good hunters and good people—I felt that maybe it has gone too far.

The excuse given was there are too many hunters now. In other words, we are going to keep you birds out, you know, until a few at the other end die off or whatever happens to old hunters.

Mr. G. I. Miller: They just fade away.

Mr. Nixon: I don't like that. I am not a hunter myself and I have never failed the exam because I have never taken it. I don't know whether that means I shouldn't be

shooting my groundhogs or not and we will look into that.

Hon. Mr. Auld: It's an awful straight line but I'll avoid it.

Mr. McNeil: How do you make out shooting your own groundhogs?

Mr. Nixon: I miss about as many of them as I do of you.

I was interested also that you people are moving into new approaches to predator controls. I don't want to resurrect the old debate over the bounty approach to wolves and ancillary four-legged animals that people around our area call wolves, but I might as well because it really is getting serious.

I have never been able to figure out what animals are killing the sheep and doing the damage in our area. I have talked to people in your ministry who say, "Well, there are a lot of wild dogs." Everyone has dogs. There are a lot of German shepherd crosses that perhaps have homes and perhaps don't that are roaming around the area. I read the minutes of the council of the township of South Dumfries every month very carefully and there is always a substantial payment following the inspection by our wolf bounty—not wolf bounty but what do you call the—

Hon. Mr. Auld: Evaluator.

Mr. Nixon: —evaluator for dog and other animal damage. I have talked to him. He claims some people call them coyotes, some of them call them brush wolves, but it seems to me that—I suppose farmers will shoot these now when they see them—the old approach involving a bounty was not such a bad one. Certainly we did not have the problem then we have now.

Now we have foxes on our farm and my wife is their most zealous protector. It is quite a great thing, when you are working on a farm, to see the foxes out hunting. You can find the remnants of lots of ground hogs around their dens, so in my view they are good animals indeed.

On the other hand, we had to shoot and bury two large heifers that were rabid and, boy, that is some experience, I am telling you. They had obviously been bitten by some rabid animal that we didn't identify and it might well have been my wife's friendly little foxes from the next field.

Hon. Mr. Auld: A lot of foxes and skunks are rabid.

Mr. Nixon: I am afraid that is so. We went and cleared the whole bunch of them out and I regretted having to do that.

The whole business of rabies is cyclical, I am sure, but it is an extremely great problem.

I believe it is the federal government that will pay farmers for the loss of animals. Is that a federal or a provincial program? I think it is federal.

Hon. Mr. Auld: Federal, yes.

Mr. Nixon: But I am very glad that we are coming up with some sort of a program whereby there is an alternative to simply going out and shooting every fox that is seen anywhere. It really is a shame that the elimination of rabies is going to depend on the elimination of foxes and, to a lesser extent, squirrels and skunks. We are not going to eliminate the last two, but I will tell you, foxes are now very hard to find.

The concept of a bait or some sort of material that you can put out that the animals will eat and thus became immune themselves is a good one. We got in touch with the ministry a couple of years ago when we had this problem ourselves and they said it was being developed.

That you are doing this with lottery funds interests me. We had quite a substantial problem with the hospital situation in our area and when we approached the government about lottery funds for that we were turned down flat. I suppose this is on the basis of medical research, even though it is medicine for the foxes and so it could be justified in that way.

I am not here to argue about giving money for our hospitals. I am glad to see that those lottery funds are being used on a broader and broader basis. In my opinion, the sooner they go into the consolidated revenue fund the better and the Legislature, with the leadership of the appropriate government of the day, can decide how the moneys are spent.

I certainly approve of this kind of research as I believe it is extremely important. A breakthrough in that will have worldwide importance. If Ontario can do it, the sooner we can do it the better.

I was interested also in the lengthy part of the minister's speech about mineral activity, the mining and so on. Remember, about six weeks ago we had the great staking rush in northern Ontario where the new maps were made public and at a certain time anyone who was interested enough to undertake it would go out and stake their claims. I am not aware as yet of any finds associated with those claims. I would certainly like to be set straight on that because frankly I have been getting a little depressed over the last few years.

When I was first elected, the minister's counterpart in mining used to get up a couple of times a year and announce either a sub-

stantial find or the decision of a corporation to go forward with the development of a mine. But we really haven't had much of that activity.

I used to blame John White quite a bit over the mess he made of it through his mining tax when nobody knew what he was doing and nobody on the government side had sufficient clout to stop him. We are still trying to recover from a lot of the mistakes he made. I liked him personally; he was great on the northern trip, I remember. He, Patrick Lawlor and Donald Deacon hit it off. The three of them I think are still associated on certain projects of importance and profit. [10:00]

Mr. Yakabuski: He was six years ahead of his time on energy conservation. "Put a sweater on," he told you.

Mr. Nixon: He's now the founding father of something called Businessmen's Interest in Public Life, or something like that. They're having a conference in Quebec City. He always had lots of ideas and he still has. But I used to—and still do, really—mark the decline of the mining industry in this province to John White's famous budget and his approach to the mining tax.

If you look at the statistics from the mining tax—I always get into an argument with my socialist friends on this—I really feel the answer to developing mines is not to soak the taxes on the mining corporation and give it back to them in some other form. It's one area where that vaunted free-enterprise system, the profit motive, really used to work.

Mind you, Harry Oakes and these other people gathered hundreds of millions of dollars out of northern Ontario and put it all in sacks and carried it away to the Bahamas, which was a pretty bad thing. That's certain. I'm not sure what government it was that let them do that, but they ought to be impeached.

Mr. Yakabuski: Like union dues to Pittsburgh.

Mr. Foulds: Like the return of funds to help the miners at Inco for a year.

Mr. Nixon: My point is that still there's nothing in this report and there have been no significant reports from the minister that anything really is happening in the mining community. We're still working at Texasgulf, Inco's still going ahead saying, "We've got a little bit of ore left here, a little bit of profit left here for another 40 years," or something like that. But we're not getting the kind of development we think of when we talk of—we used to perhaps more than we do now—these great resources in northern Ontario. They're

far from unlimited and it may well be that we are now developing some of the last of them. I hope that's not so. I doubt very much if there's going to be another Inco or another Texasgulf or another uranium find, although I may be just pessimistic in this connection.

It seems to me there is an indication from the last three or four reports like this that you're spending money on various surveys and mapping; you've got considerable expenditure to assist what you've euphemistically called "junior" mining ventures, which usually means bucket shop promotions. However, I suppose you've got to have a little bit of that if you're going to have the type of entrepreneur who is going to respond to the prospector who comes in and says, "I think I've got something great out here. We can develop it and make some money."

Mr. Havrot: Robert, may I mention just for one minute that in the geophysical surveys in the Kirkland Lake area in the 28 townships there were something like 1,500 anomalies picked up. I might add drilling contracts have been let out for some of the finds already. It gives an excellent directive as to where to look for ore. Drilling contracts have been let out in the Kirkland Lake area. So we're hoping.

Mr. Nixon: I really hope so, too. I suppose I look for the job opportunities and the development of the north. I'm sure it's a great place to live. I lived in Sault Ste. Marie for two years, which isn't exactly in the wilds, although when I first went there the road wasn't paved. Now, my God, they're practically four-laning it. Times does march on and things change.

I liked the north that way. There were some times when I campaigned up there, and I think my successor expressed that view also, that there are some places where you tend to feel you're in what you call—

Interjections.

Mr. Nixon: Was that Sault Ste. Marie? Well, the Sault was my favourite country, although I couldn't elect a Grit there either. That was a problem.

There's one other specific matter. Perhaps I could wait for the votes, but I might just miss the chance. I've also brought this to the minister's attention and frankly I haven't had a satisfactory answer.

We are not making available replanting stock in the tornado area where people lost so many trees. If they can get the one-cent seedlings, great. They're close by. St. Williams is close by; a historic place. The area of Norfolk probably is one of the more interesting, if not the most interesting, reforestation

projects in the world. That used to be nothing but sand blowing across the roads.

Pardon me, Mr. Member you know more about that than I.

Mr. G. I. Miller: It's all right. It's a great area. It has really come a long way.

Mr. Nixon: Through the work of the ministry and its predecessors, going back to E. J. Zavit and others, they have beautiful plantings there, which have really made that a viable farming area and the plantings themselves have great value. Their greatest value, next to holding the soil, is in their aesthetics. If you drive through that country it is a countryside unlike any other in this province.

Mind you, it is very rich; every sideroad is paved, it is beautiful. The homes are outstanding, the farmsteads are perfect and as long as the crop insurance keeps sending them money, they will probably be able to meet their mortgage payments.

When a tornado went through that area—a lot of people here have seen it; Jim, I don't know if you were up there or not, perhaps you were—the devastation was incredible. I am not going to dwell on that.

The people who lived in the town as well as the farmsteads lost all their shrubbery and their main trees. Their 40- or 50-year-old trees are just gone. They were smashed to nothing and they find them upside-down in the attic of their neighbour two blocks away. Just incredible stuff.

For them to go back and buy cent-apiece seedlings and diddle around with it, or even go out to a nursery and buy stuff, well, that's all right. I am sure many of them are prepared to do so, but it seems to me we should have a program whereby we can provide pretty substantial trees—10, 12 feet, maybe bigger—for these people and even assist with the planting. It is not any great deal now. The Ministry of Transportation and Communications has these machines that just clam them right up and put them in where you want. They really have had great success and great results with them.

I wrote the minister about it and I think I did get a call about it, but I can't remember being satisfied that anything was going to happen other than it was very difficult to do, or something like that.

Hon. Mr. Auld: We don't have very many that size.

Mr. Nixon: I see. Well, I think we ought to—

Hon. Mr. Auld: It takes 12 years to produce them.

Mr. Nixon: Well, let's get ready for the tornado of 1990 by having some of those things available because, naturally, they will always be useful. If you find they get to almost the point where they can't be transplanted, you can sell them to Campeau or somebody who has lots of money and who is always developing a place that needs trees.

Mr. G. I. Miller: Why couldn't they be moved, Jim, from a woodlot to—

Hon. Mr. Auld: Take them from where?

Mr. G. I. Miller: Take them from a woodlot; just provide the equipment the department of highways might have.

Hon. Mr. Auld: I think they have one or two of those. It is a front-end loader with a special spade thing. It is a pretty costly exercise, I guess that's the big problem.

Mr. Nixon: I have just about completed my remarks. The only thing further I want to say is that I see some of the programs you are reporting are funded by the Ministry of Northern Affairs. I have never been struck with the idea of having a separate ministry for the northern part of the province. The minister has been here long enough to know that idea comes and goes, and right now it is in its high cycle, only declining. I would think that is a very serious duplication of responsibility and service. I know the minister can't do much about that and I suppose nobody else can, either.

From my point of view, I want to express criticism of the concept of having those two ministries. I believe it is a waste of money. I believe it is misleading. I believe the province should not be divided by the ministries in such a way. It is the principal reason why I have expressed my view that we should review the concept of the conservation authorities and replace that with a more uniform provision of service in a way I think will save us dollars, which is not the most important in this connection, but will also give better service to the province as a whole.

Mr. Foulds: We have a vote at 10:15 in the House, so I think I will be able to get into the preliminary portion of my remarks this evening.

Let me just mention one or two things very quickly before I get into the substantive portion of my remarks. I want to express my personal best wishes to the minister. I am glad he is back at his post after his absence and I hope his health is fully restored. I am also very glad that he has been able to persuade the Premier (Mr. Davis) to divest him of the responsibility for

the Ministry of Energy so that he can concentrate on Natural Resources.

In theory, I suppose it makes some sense to try to have a ministry of energy, mines, forests, et cetera. I think in practice it is obvious that in this province, at least, the two responsibilities are simply too heavy for one man, or one administrator, because energy is so crucial to our future and Natural Resources is a huge ministry that spans the entire province. So I am pleased he is back at the helm.

I must say I am disappointed in the speech he gave us this evening. It provided us with one valuable function; it outlined in some considerable detail some of the programs of the ministry. But, if I may, it did not establish priorities. What you gave us was a catalogue of events. It was rather like the Simpsons-Sears and Eaton's catalogues, where all things were of equal importance. It was not like the Miltonian catalogue, a poetic device that they used in—what do they call those poems that Homer and Milton wrote? Milton was the last to write one. That kind of classic poetry. It is a device that was used to enhance the value of a personality or thing by cataloguing things of equal value, but you selected what was in the catalogue for your examples.

I almost felt for a few moments as if I had stumbled accidentally into the leadoff of the estimates of the Minister of Culture and Recreation with the number of films that were being mentioned—I think there were eight by actual mention—and publications and maps. Be that as it may, I realized by the end that we had begun the debate on the estimates of the Ministry of Natural Resources.

I suppose what I found disappointing most of all was that there was frankly nothing to stimulate the mind or stir the heart in the speech. There was, if I may say so, not a clear idea of leadership and how we should be using the natural resources of this province. It reminded me a bit of the works of Nicholas Monsarrat and Herman Wouk, who are great practitioners of selling novels by the pound, rather than by the content of the work.

I would like to take a few moments to talk about one or two of the remarks of the immediately previous speaker—and I like him as much as I like the minister. But as a northerner, I say with the greatest respect, Bob, I find the attitude of the business of the northern tour slightly offensive. If I might say so, might I explain why?

Interjections.

Mr. McKessock: You don't want to let us up there.

Mr. Foulds: I want you to see the north, but I think that you should have the initiative to come to the north on your terms and its terms.

Mr. Nixon: How do you get to Trout Lake?

Mr. Foulds: You have the wherewithal in the new allotments outlined in the Legislative Assembly Act for members, and you can get to Trout Lake and you can get to Attawapiskat, and I am afraid I resent very much the attitude that northern Ontario is still a colony of southern Ontario.

Interjections.

Mr. W. Newman: Get off that nonsense. I spend as much time in the north as you ever did.

Mr. Foulds: If I may say so you did it in terms of your ministerial responsibility.

Mr. W. Newman: No, I did it in terms of an individual long before I got into this Legislature.

Mr. Foulds: Good for you. That's exactly what I am speaking to, Mr. Ex-minister—I've forgotten your riding.

Mr. W. Newman: That's okay, don't worry about it.

Mr. Foulds: That's exactly what I am speaking to. The whole idea of members of the Legislature, in an entourage, touring the north as if it were a 16th century royal progress by Queen Elizabeth, I frankly find somewhat offensive is all I can say.

Mr. Chairman: The most educational trip I ever had in my own province.

Mr. Foulds: There have been a number of occasions since those legislative trips have stopped—for example, a seminar for MPPs sponsored by the Ontario Professional Foresters—where they had the opportunity to see certain sides of the north.

I welcome an interest in the north, but I think you have to be sensitive to the things you spoke about in terms of alienation. You must be very careful that you do not treat the north as a colony and there is just a slight tinge of that in the royal tour idea.

Mr. Nixon: May I ask a question of the honourable member? I really think there is a lot in what he says. The alternative, though, is that most of our members don't go.

Ms. Gigantes: Well, most of our members did go.

Mr. Nixon: Well, upon that basis, of course.

Mr. Foulds: If I could just respond to that very briefly. I think it is important to encourage members to go. I do not think it has to be organized. I think it is the responsibility of the individual members.

I hear the bells ringing. I would move adjournment of the debate and I will continue my remarks on Monday evening next.

Mr. Chairman: That's fine.

The committee adjourned at 10:17 p.m.

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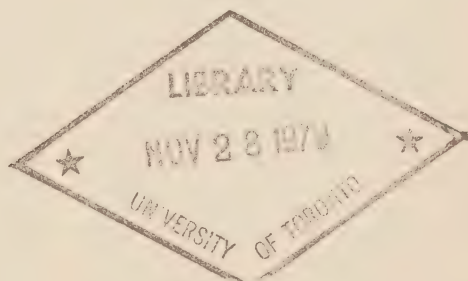
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Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee

Estimates, Ministry of Natural Resources



Third Session, 31st Parliament

Monday, November 5, 1979

Speaker: Honourable John E. Stokes

Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

MONDAY, NOVEMBER 5, 1979

The committee met at 8 p.m. in committee room No. 1.

ESTIMATES, MINISTRY OF NATURAL RESOURCES (continued)

Mr. Chairman: The meeting will come to order. Mr. Foulds, you may continue.

Mr. Foulds: I have always been a great admirer of the minister for his classic mode of understatement. At one point in his talk the other night he indicated it was a brief outline of his ministry's activities. As I indicated earlier, we were certainly treated to an overall rundown of what the ministry had been doing.

I wanted to repeat, I felt disappointed because the leadoff didn't contain a sense of direction, it didn't contain a sense of priorities, it didn't have anything to stir the imagination or stir the heart. I think that is tragic for a ministry of this importance, because I consider that this ministry, next to Treasury, is the most important ministry in government.

Unfortunately we tend to think of the ministries that are the big spenders as the important ministries, but in fact this ministry, because of its mandate and because it has taxing power, unlike most other ministries, has a role to play in the direction and development of this province that no other ministry, aside from Treasury, has. I don't believe the ministry has lived up to that role in the last few years.

You get the uneasy feeling there are lots of ideas in the ministry, there are lots of capable people, there is lots of very good analysis, but it is all mired in inaction. You get the uneasy feeling the ministry is drifting, the uneasy sense that there's an understanding that certain initiatives have to be undertaken in a whole range of areas, but something, either the bureaucratic channels within the ministry or the blockage at cabinet level, prevents those initiatives from taking place. The action is unbearably slow.

I am almost reminded of Frank Scott's less than charitable eulogy to William Lyon Mackenzie King which I will just quote briefly:

He seemed to be in the centre
Because we had no centre,

No vision
To pierce the smoke-screen of his politics.
Truly he will be remembered
Wherever men honour ingenuity,
Ambiguity, inactivity and political longevity.
Let us raise up a temple
To the cult of mediocrity,
Do nothing by halves
Which can be done by quarters.

Mr. Wildman: Are you sure they weren't talking about Jimmy Auld?

Hon. Mr. Auld: My grandfather, who was a Grit, would have been delighted to have heard that.

Mr. Foulds: I get the uneasy feeling sometimes that that has happened to the government as a whole, that its penchant for caution and for taking a thorough look at things has sometimes mired it into inaction and I'm afraid I must say that with regard to this ministry. The ministry must shake off the state of inaction that has seized it for the last few years. As I have said, despite all the talent that the ministry has available within its ranks, the leadership of the ministry seems immobilized and unable to make decisions.

I don't know where the block is, but it is time for the cabinet, the minister and the deputy minister to take a number of strong leadership initiatives to manage our natural resources properly for the benefit of the people of Ontario. I want to touch on just four or five of those areas this evening.

First of all, the most obvious one is forest and timber management, and I'm not going to go into great detail on this tonight because we will have an opportunity to do that during legislation tomorrow. It is now more than two years since the Premier (Mr. Davis) made his inglorious and unrealistic promise to plant two trees for every one cut—and let me stress “inglorious”—a promise that has not been kept nor could it be kept. More seriously, we still have not had an adequate regeneration program developed and in place and on the road.

Moreover, so far the government still has failed to finalize its legislation to enable it to sign agreements with the pulp and paper companies so they can take over the responsibility for replanting the areas they cut. That

legislation is before us but it has taken an awfully long time in coming.

I agree with the minister when he told me privately he hoped legislation can be put in place and the agreements signed before Christmas. I think that is essential if we are going to have that part of our program in place for the coming year. We must not consider that part of the regeneration program—the signing of the agreements with the private companies and the development of silviculture and regeneration and harvesting—is in the same continuum as the end-all and be-all. It is not going to be a magic solution to all of our regeneration problems.

I believe it is important for the ministry not to put all its regeneration eggs in one reforestation basket. I believe the ministry should seriously consider establishing what I would call a provincial forest authority as an agency of government in order to properly harvest and regenerate timber, either where limits have not been assigned or where companies are either unable to meet or failing in their responsibilities, or where over-mature stands exist and are not being harvested at the present time.

In other words, such a provincial forest authority could be used as a backup and as an alternative when and if present agreements fail to live up to our expectations, or where they simply cannot be put into place. Although it is not a good immediate model to use because of some of the failings in it, there is a precedent in the Algonquin Forest Authority. I think there are some things wrong with it, but the model is there and the structure is there and the idea is there.

I also believe such a forest authority could help ensure small businesses and small companies which have difficulty getting limits for species now, are actively and productively engaged in the woods industry. Other than the pulp and paper giants, I think such a forest authority could help give them access to needed timber that is not now available.

I think it is important also that the government must improve its field staffing ratios. We are still going to need the unit foresters on the ground under the ministry auspices to ensure the management agreements are lived up to. We can throw all the money we like at programs, but if we don't have the men in the field with the wealth and the ability and the time to carry them out, we will not increase the productivity of our forests.

We also have to look at other problems, as the ministry is well aware, such as improving the stock, improving seedlings, looking at

different kinds of utilization of species and so on.

The second area I want to touch on in the leadoff is the area of provincial parks. I believe our parks have fallen behind in the last couple of years. I think they're not what they were in the early 1970s and late 1960s. I think in the late 1960s and the early 1970s people of this province had a far greater pride in their provincial parks than they do today. I believe the ministry had a greater pride in our parks than it does today. I think there needs to be a number of initiatives taken in parks planning and development and they need to be undertaken now.

[8:15]

It is one of those curious areas. I don't know where the blockage is, but in my view it is nothing short of scandalous that there are fewer than 25 master plans for the entire parks system of 128 parks. It is inexcusable that there is still no overall master plan for the entire park system. As well, I think serious questions need to be raised about the so-called reprivatization of some provincial parks, because the reprivatization may well be costing the people of Ontario more money, rather than saving the taxpayers, as the government claims. I will be getting to that more in detail when we actually discuss that vote during the estimates.

Illegal hunting in provincial parks also remains a very real and unsolved problem. Although the ministry doesn't like to talk about it in those terms, the answer to the question I put on the Order Paper which was answered on October 26 indicates that in fact there has taken place irregular and in my view probably illegal hunting in at least 18 provincial parks in Ontario.

I don't really say categorically there should be no hunting or fishing or trapping or what have you in a provincial park. When a new piece of land is declared a park area, for example, I can understand the difficulties people who have traditionally hunted in that area have in stopping it. It may be counter-productive to stop it. I can also see the argument that is made that in certain areas you need to have the hunting for the proper harvesting of the species.

It seems to me this kind of question needs to be met head on and we need to be open and above board in saying, "In these areas there is going to be hunting and these are the reasons," and the regulation should be drafted openly and in public in consultation with the people who are involved in the area.

I think the thing is probably as difficult for the ministry staff as it is for the people of

the area, particularly in those areas where there has been the conditional right to hunt. Turning the other way causes difficulties, probably more difficulties than enough. I think it is not unreasonable to have the ministry draft special regulations, I think that drafting must be very careful and, as I said, open and above board. As I say, it remains a problem, an unsolved problem, and I believe one that causes unnecessary friction between the ministry and the public.

The third area I would like to touch upon in these general opening remarks is the area of fish and wildlife management. There remain some serious deficiencies in the fish, deer and moose management programs.

First, the strategic plan for Ontario fisheries has been drafted but I think we have a right to ask and to be told what really has been done. I believe the fisheries could be in as serious trouble as we now recognize the forests have been. The ministry has not seen fit, for example, in spite of the pleas from the Ontario Federation of Anglers and Hunters to institute either a resident angler's fee or a nonresident fee.

Hon. Mr. Auld: You don't mean non-resident, Jim.

Mr. Foulds: No, just resident, sorry. We indicated in the estimates some time ago that if the amount commensurate with the fee raised were put into the fish management program we would be in favour of such a fee.

What I find curious is, here we have a government that is crying for revenue, the majority of sportsmen would apparently endorse the fee and yet the ministry seems reluctant to institute it. I want to read from a letter, a copy of which I received, that was sent to the minister from the president of the Ontario Federation of Anglers and Hunters, which indicates some of their dissatisfaction. I think there are pros and cons in the argument, but I don't think the ministry has answered the concern, first of all, for replenishing our fisheries and specifically the avoidance of the fee.

I want to read a few sections of that letter into the record: "We were amazed to learn from press reports that there would be no resident angling licence in 1980. The cause of that amazement is twofold. Firstly, we find it difficult to imagine that you, your ministry or the government as a whole can come up with the \$11 million or \$12 million additional per annum which are needed to give Ontario a meaningful fisheries program unless you receive licence revenue from resident anglers and increased payments from commercial fishermen.

"Certainly the \$2 million already allotted for year one of the strategic plan for Ontario's fisheries is an important step. It does show a commitment by your government towards better resource management, but where does that commitment begin and end?"

If I can just add parenthetically, I think that is the major concern, that they see, the beginning of a program. For example, in the moose management program we have seen some postponement of that original commitment, and I think that kind of concern is being expressed by the anglers and hunters.

The second concern that the Ontario Federation of Anglers and Hunters mentioned "is that we would have to learn of such an important decision by reading the newspaper. After all the work we have put into conducting public opinion surveys and working at publicizing the possibilities of a resident angling licence as requested by your predecessor, the Honourable Frank Miller, and all the concern we have expressed to you and your staff over this issue, it truly does amaze us that you or at least your senior staff would not notify us personally or discuss it with us prior to issuing a news release.

"Quite frankly, I feel we have been treated in a manner which I find unacceptable. As the province-wide voice of Ontario's concerned anglers, I think we deserve better treatment if real respect is to exist between our two organizations. Our federation of 18,500 members and 75 affiliate clubs will not rest until we know that your sports fisheries budget is sufficient to do a good management job and a good data collection system is in place.

"At this point in time we see no reasonable alternative to the resident angling licence. Yours in conservation," signed by Mr. Goldsmith, president of the federation.

I have had correspondence with that organization and what struck me is, here is an organization that's willing, if you like, to stick its neck out and do some good ground work for the ministry and for the government. It did some real work among its own members and it got a sizeable portion of the sportsmen of the province behind the idea of a resident angler's fee. I think there may, as I say, be arguments against that. However, the ministry certainly hasn't satisfied the federation and it might very well, just by the way in which the announcement was handled, erode some of the goodwill that is really necessary for this ministry to carry out its function properly with the people of Ontario.

A second concern that the Ontario Federation of Anglers and Hunters had has to do with the deer program, and I will just quote very briefly from a letter sent to me August 24, 1979, in which the federation said: "Ontario's whitetail deer have been neglected for many years and the results are obvious. The deer population is down dramatically in the traditional deer-hunting country. Ontario residents are beginning to travel to Pennsylvania and other states to go deer hunting. Others have switched to moose because of the lack of deer."

We can get into that in the whole wildlife management program in more detail, but the last part of the sentence is a bit ironic, because if others have switched to moose because of the lack of deer we are in real trouble in the moose management program. I am quoting from the ministry's own official publications here, just as a bit of an excursus. This booklet, *Moose Management in Ontario, Problems and Possible Solutions*; of September 1979, is a very good case of some very thorough work done by the ministry, a lot of thought, very good analysis, but typical possible solutions. It is sort of typical of what I was trying to say at the beginning of these remarks, that we are just moving too slowly.

The ministry, in this little booklet, says quite honestly and straightforwardly that the recent program in moose management "has not been effective in controlling overharvesting. A new approach to moose management is now essential to rehabilitate the herd." Later on it says, "It is essential to rebuild Ontario's moose herd now to provide increased hunting and viewing opportunities and to increase economic benefits."

The outline in the pamphlet itself really is quite a devastating indictment of the present situation. I suppose the people in the ministry are eternal optimists, and I consider myself a happy pessimist, so the people in the ministry in printing the booklet go from the bad to the good, albeit in reverse order and go from the good to the bad. It says: "Algonquin (Huntsville): Moose populations are generally increasing in Algonquin region, but overharvesting is occurring around Parry Sound and in areas near Algonquin Park." That doesn't sound too alarming. It sounds pretty good; generally increasing, some overharvesting.

"Northeastern (Sudbury): In most areas, moose numbers are as high as, or higher than, they were in the early 1960s." My heart leaps up. "They are, however, below what the range can support." In other words, we could have more and more economic

benefit to the area of Sudbury. Over the last winter and the long strike, I would imagine there was a fair amount of moose hunting going on that might have depleted the herd somewhat. That is the good news.

The bad news is when we start moving farther west, north and west. "Northern (Cochrane):"—just this bald statement—"The moose herd has declined as much as 40 per cent to 75 per cent in some areas." Has declined as much as 40 per cent to 75 per cent. "North central (Thunder Bay):"—that is my area—"Herds are down 50 per cent compared with earlier years." "Northwestern (Kenora): The population is now 20 per cent to 50 per cent of the level it was in the early 1960s." That means the herd has declined by 50 to 80 per cent.

[8:30]

The moose is not yet an endangered species in Ontario, thank goodness. But with that kind of analysis in front of us, we ought to take some more dramatic steps than we've been taking in the last five years in order to renew the moose herd. I know it's a complex problem. I know it's not just a simple problem of dealing with moose. I know it's a problem of integrating moose management or any wildlife management with forest management. The whole conflicting business of the kinds of cutting we have in the forests affects very much the renewal of certain wildlife.

I suspect the moose hunt in Ontario is one of the most important economically to the individuals who are directly involved and to the economy of the north in the tourist industry. If the moose management program in Ontario is not turned around dramatically so that we have a renewal of the herd, we could be facing, unfortunately, serious consequences for the future.

Mr. Riddell: The deer hunt has all moved to Simcoe county. The minister's declared open season on them down there.

Mr. Foulds: I think we'll be getting to the particulars of the vote and we can discuss particulars like that when we get to that area.

Mr. Riddell: It will be brought up. You can rest assured of that.

Mr. Foulds: I would think in some areas of the province they would welcome the opening of a hunting season where there's an overproduction of the herd.

Mr. W. Newman: If you declare an open season on politicians, you'll solve a lot of problems.

Mr. Wildman: In some areas, they'd like to see the season closed.

Mr. Foulds: Once again, far more seriously, it's a question of management of the herd, harvesting at the proper time in the proper place and closing of the season at the proper time and in the proper place. We probably haven't been paying enough attention to that.

I was surprised that there were two areas that the minister did not touch upon in his remarks.

Hon. Mr. Auld: Holy smoke, I didn't think I missed anything.

Mr. Wildman: You left out a couple of names of the district managers.

Hon. Mr. Auld: But I said I could get them if anybody asked.

Mr. Foulds: I thought the minister would deal far more fully with the question of cottage lots. I know you're hoping to come to a solution within the next little while on that whole question and I would hope that there would be a ministerial statement on that before these estimates conclude. I'm not going to deal with that in detail because I've had extensive correspondence with the minister and with ministry officials on that, but it is an area that I would have thought you would at least have mentioned in your review.

With regard to the other area, which was one that Mr. Nixon touched on in his leadoff for the Liberals, I was not surprised that the minister didn't mention it. It's an area I would like to deal with with the utmost discretion because I think it is important that the tragic fire north of Nakina not be milked, if you like, unnecessarily. I know that the internal ministry review of that situation has been completed. I would hope when the coroner's inquest, which starts tomorrow, is completed, that appropriate and important sections, if not all, of the internal ministry report will be made public.

I can understand the necessity because my understanding is that it was a very thorough job that did not leave any stone unturned. I can understand that in the case of certain direct names and so on it may be in the best interests to have some confidentiality. I would hope the major findings and the major recommendations and the steps the ministry are going to take will all be made public. I think it's important for the ministry's sake because I believe the prescribed burn technique is one that is useful and worth while. It should not be discredited.

I think the Junior Ranger program is one of the finest programs this government has developed. I think even the Experience program, although I have my reservations about that for other reasons, is also a fine program. I think for its own sake the government

should be as open and forthcoming as it is humanly possible to be with regard to that tragic situation. I don't think they should be afraid to say publicly what needs to be said in that situation.

I'll be having more to say in spraying programs, because I engaged in correspondence with the minister that both he and I enjoyed over the summer months.

Hon. Mr. Auld: A lot of people enjoyed the fallout, I think.

Mr. Foulds: That's true. There were a lot of benefits I hadn't expected, including a massive advertising program that was suddenly undertaken to justify the spraying program. We'll be getting into that in some detail in the actual vote.

I do want, in conclusion, to spend a little time on the mining sector, because I think it is important to our economy. Unless our mining sector is reborn—if I can use that horrible term—one half the strongest arm of our resource policy will go down the drain. I think this is the area where this government, over the last 36 years, has perhaps most seriously failed at managing the non-renewable resources—our minerals. Nowhere is that more obvious than in the north where the phenomenon of boom-and-bust, one-in-dustry towns is still a tragic reality.

I would like for a few moments to talk specifically about, and use as illustration, the town of Atikokan and the iron ore industry. Today Atikokan is a proud community fighting for its life because of the short-sightedness of this government. Over the past 30 years the people of Atikokan, especially the miners, have invested their lives and their labour in the community. Yet as surely as the boom-and-bust gold mining towns of the past, Atikokan has not been well served by Ontario government policies.

Why is it there is only some \$25 million worth of exploration going on in Ontario at the present time? Why has the Ontario government not taken the lead in developing a mining machinery industry, as my colleague from Sudbury East (Mr. Martel) advocates and has advocated for a number of years? Why are we in Ontario today importing over 50 per cent of our iron ore requirement at a time when towns like Atikokan and Capreol are faced with iron ore mine shutdowns? Why have the steel companies invested in mines—in captive mines, if you like—in the United States, rather than relying on Canadian or Ontario-based sources of supply?

The United Steelworkers, in a letter to the Premier, claim there are 500 million tons of iron ore reserves left in the Steep Rock iron

range. I want to read a copy of that letter sent to the Premier: "Steep Rock Iron Mines completed the second phase of its total shut-down on Friday, August 31, with the layoff of another 180 workers. It is an inglorious climax to the working lives of many who have laboured for 30-plus years in Atikokan iron mines that is particularly galling, coming on the eve of Labour Day 1979.

"We remind you of the assurance given Atikokan miners by Steep Rock Iron Mines management some 20 years ago: 'There will be work not only for you, but for your children and their children.' It is nothing short of gross mismanagement which permits iron ore to be imported into Canada from the United States while 500 million tons of iron ore lay untouched under the Steep Rock iron range.

"While it is true that your government is spending sizeable amounts of money to assist Atikokan in attracting secondary industry, it is also true that those miners who have worked most, if not all, their adult lives in Atikokan are now being forced into moving to other parts of Canada while the value of their physical assets in Atikokan is rapidly diminishing. We appeal to you, sir, and through you to the federal government, to appeal directly to Canadian Pacific Investment and Steep Rock Iron Mines to commence either the mining of Bending Lake or a continuation of the operations in the Caland ore pits."

There is something very peculiar going on in the iron ore industry, and I'm not sure that I have the answer to that. There is considerable evidence that there are enormous reserves still in the Steep Rock range. There is considerable evidence—and if I may use the term, conservative evidence—that there is considerable potential at the Bending Lake development, only 40 miles away from Atikokan, and even greater potential at Lake St. Joseph, some 170 miles to the north of Atikokan.

Yet this government does little to insist that the industry continue. For example, some engineering reports quoted by the director of the United Steelworkers District 6 indicated that with just nine months of stripping the overburden there will be seven to 10 years' more production at the Steep Rock pits themselves. I believe the Ontario government has failed the town of Atikokan in at least five ways.

First, when the mines were first opened, it failed to insist on the development of secondary industry from the beginning of the opening of the mines in order to take

up the slack when the mines would eventually have to shut down. We in this province do a lot of railing against the Alberta Heritage Fund, and yet we contemplate spending the amount of money in that fund, \$5 billion, on just one nuclear plant—Darlington.

If we in this province had established a heritage fund 60 years ago when we had such a huge mining potential and which has been exploited so that a surcharge on the amount of tax were set aside for the development of secondary industry in northern Ontario we could avoid the boom-and-bust cycle of gold mining towns and now, tragically, of iron ore towns.

Such a fund is not unrealistic. The development of secondary industry in northern Ontario is not unrealistic. This government has done little even to take that simple and logical step.

[8:45]

Secondly, I believe this government has failed in its obligations to the miners of Atikokan because it does not do independent assessments of the iron ore reserves. Therefore the province meekly has to accept the shutdown of Caland and Steep Rock in spite of the steelworkers' claim, for example, that there are five million tons of iron ore reserves in the Steep Rock iron range.

A lot of people, with some justification, assert that estimate is high. Yet Caland itself—which is, I will remind you, operating pit C under lease from Steep Rock—admits there will be 16,300,000 tons of open pit reserves in that pit when they terminate. I'll get into the details of the reserves in other bodies in a few moments.

Third, the Ontario government has failed to actively seek markets for our products and our kind of iron ore and to insist that the other iron ore bodies that we do have in the province come into production in an orderly manner in order to benefit Ontario's workers and Ontario's industrial development. The Bending Lake property to the west of Atikokan remains undeveloped because the private sector will not take the initiative to develop the ore body. This, in spite of the fact it has at least 127 million metric tons of ore and probably many times that. As we all know, the more you dig down, the more you find. Eventually it runs out, but just the drilling has indicated we have at least that much at Bending Lake.

Farther to the north, about 170 miles away at Lake St. Joseph, there are iron ore reserves with a potential for over 550 million tons of iron ore pellets. The Steep Rock Iron Mines

property alone there has a capability of producing 190 million tons of pellets down to a depth of a mere 500 feet. It is kind of interesting, and this is why I don't quite understand what is happening in the iron ore industry.

In the ore body at Lake St. Joseph there are four sets of undeveloped properties in which Canadian Pacific Investments has an interest through the Algoma Steel Corporation Limited or through Steep Rock Iron Mines Limited:

1. The Eagle Island property is made up of 13 claims optioned by Algoma from Lake St. Joseph Iron Limited, which is controlled by St. Lawrence Columbium and Metals Corporation, a Canadian company. A further 32 claims are owned directly by Algoma. Potential open pit reserves in this ore body have been estimated at an equivalent of 300 million tons of iron pellets.

2. The Soules Bay property has a potential open pit reserve equivalent of 40 million tons of iron pellets. This property is owned by Algoma.

3. The Greenmantle property, 50 miles east of Lake St. Joseph, has a potential open pit reserve equivalent of 20 million tons of iron pellets. This property is owned by Algoma.

4. The Steep Rock Iron Mines Limited property at Lake St. Joseph is located 175 miles north of Steep Rock and is partially owned by Sterola Explorations Limited, a wholly owned subsidiary of Steep Rock Iron Mines Limited. Algoma Steel also has an interest in this property under the terms of a joint venture agreement. This property is estimated to contain the largest open pit reserve of iron ore in Ontario with an estimated capability of producing, as I said earlier, 190 million tons of pellets down to a depth of just 500 feet.

So I ask you, what is going on? Why is the Ontario steel industry acquiring interests in captive mines in the US at Hibbing and Eveleth, in Minnesota; and in the Tilden Iron Ore Company in Michigan?

At the present time, Ontario iron-ore mines and mills are now in a position to supply only about 42 per cent of the net demand for iron-ore pellets in Ontario's three integrated steel companies, Stelco, Dofasco, and Algoma Steel. The total yearly requirements of the three companies in 1980 will amount to approximately 15 million short tons. The Ontario mines remaining in production have a capacity of 6.27 million short tons. What is interesting is all three of these steel companies have interests in iron ore and pelletizing operations in the US.

I want to read into the record that the Hibbing Taconite Company in Minnesota is 6.7 per cent owned by Canadians, Stelco in particular. Their production at Hibbing will be 8.1 million long tons and the potential Canadian share just on the percentage of their ownership will be 543,000 long tons.

Eveleth Expansion Company in Minnesota is 16 per cent owned by Dofasco and 23.5 per cent by Stelco and the production is six million long tons and the potential Canadian share is 2,375,000 long tons.

The Tilden Iron Ore Company of Michigan is 30 per cent owned by Algoma and 10 per cent by Stelco. The production is eight million long tons and the potential Canadian share is 3.2 million long tons.

So of that production in the US mines—22.1 million long tons—6,113,000 long tons or 27.6 per cent is the potential Canadian share. I base that estimate on the percentage of shares owned by the mills since the actual amount imported by the companies is not publicly available. However, and this is the important point to note, it may very well be possible for the Canadian mills to obtain substantially more than their share by ownership because other owners of the mine may not require their full share of production. Assuming that the Canadian mills take only their full allotment, 45 per cent of Ontario's demand could be supplied by these US mines. The difference between what the US supplies, the amount supplied by the Ontario production of 6.27 million tons and the estimated demand of 15 million tons will presumably be made up by shipments from Quebec or imports from other countries.

Why do we, in this province, need to import that amount of ore when we have properties at Caland and Steep Rock which I am convinced, and the workers there are convinced, are still capable of development? We have properties of quite unbelievable potential at Lake St. Joseph that are not being developed and we have an easily accessible property at Bending Lake which has not been developed.

I believe all those Canadian properties are being put on the back burner quite deliberately so that the steel companies can exploit their captive mines in the US. Now you might say to me, "Well, the taconite ore is a better kind of ore, a better kind of pellet. It is harder. It burns better. It is better for steel production in Ontario."

That could be, but why in blazes haven't we in the industrial heartland of this country developed the research that is necessary so that we could make the fullest use of the kind and quality of iron ore we can produce

and why haven't we designed our steel industry to use the ore that we have in abundance in this country? Surely it is the Ontario government's responsibility to the people of Ontario and to the people of Atikokan to do just that.

Surely the properties I have mentioned could be supplying Ontario's needs. If that means taking slightly less profit then maybe we should do that, because we have invested a lot in this country. Governments have invested a lot in this country on behalf of the taxpayers.

This government, for example, has invested a good deal through its taxpayers in the infrastructure established in towns like Atikokan. This government deserves a return on that investment, the money spent on sewers, water, schools and hospitals in that community. And if that means managing or integrating the mineral production of the mines of this country with the manufacturing sector of this country, then it is damned well time this province did that. There is no reason for us to be importing over 50 per cent of the iron ore needed from outside this province.

Finally, I believe that the government has failed Atikokan and every other mining town in Ontario because it has not invoked section 113 of the Mining Act to ensure that more production and processing of ores takes place here in this country.

I want to conclude with two short statements. When I started out this evening I indicated I thought this ministry was, next to Treasury, the second most important in the provincial government. I think it has that potential but it needs to take a lead. It needs to take a lead to develop the secondary industries based on our resources in the north. There are many opportunities for this province to use its rich resources for the benefit of Ontario's residents. But I must regretfully say that the government and the ministry have not fulfilled their responsibilities in this regard to the people of Ontario.

The government has not been getting an adequate return for the people of Ontario from our resources. The government has not been using our resources to diversify the economy of northern Ontario. We have not been using the natural resources we have, even to supply our own manufacturing areas.

It is a heavy responsibility that this minister and this ministry has; to fulfil that responsibility requires leadership. That leadership must come from the cabinet, the minister and the top.

Mr. Chairman: I am sure, Mr. Minister, you will want to reply.

Hon. Mr. Auld: Mr. Chairman, with the agreement of the committee, and in terms of trying to make things as efficient and also as well covered as possible, what I would like to do is respond to a couple of general comments and then respond or have our staff experts respond in the appropriate votes on some of the matters that have been raised in connection with technical things like the last important concern that the member for Port Arthur was talking about in terms of the iron ore mining industry. If that is agreeable, I could go back.

[9:00]

Mr. Foulds: The only concern I have about that is that the resources products program is the second last vote and we often get squeezed out at the end. I think your approach is a proper and appropriate one, but I would ask the chairman to exercise his discretion so that when people speak they speak on the proper votes so that we have some time left for those important votes that come at the end of the estimates.

Hon. Mr. Auld: I am all in favour of that too. The member for Brant-Oxford-Norfolk (Mr. Nixon) spoke on behalf of the Liberal Party on Thursday night. There were two things he mentioned that I would like to comment on in a general way. He was speaking about hunting tests and conservation authorities among other things. In terms of the hunting tests for both firearms and the bow-and-arrow operation, the tests for next year are going to encompass more and, no doubt, they will be considered to be tougher than the current ones, although I have to say to those members of the committee who are not aware of it that there are a number of organizations that feel our present tests are a little too severe. In fact, we are occasionally accused of using them just for raising revenue. I would certainly say that the second accusation could not be true because it goes into the consolidated revenue fund, so we don't get any benefit from it.

Contrary to what Mr. Foulds said in his opening remarks about our taxing powers, I haven't been able to find any revenue we get that doesn't go through the Treasurer's grasping hands.

Mr. Foulds: I quite agree. You set the taxes.

Hon. Mr. Auld: It is very hard to get it out of him, once he has it.

Mr. Foulds: Once you set them, he gets them.

Hon. Mr. Auld: I also have to report to you that in a previous portfolio I failed that

test myself and had to try it a second time and contribute my \$5. When I put my rifle down, I put it against a chesterfield rather than the fence. Somehow the chesterfield didn't seem like a fence, so I didn't unload the rifle. I learned the next time and I contributed an extra five bucks. I thought it was kind of tough and too severe myself at the time.

The other matter that Mr. Nixon mentioned was conservation authorities. I would simply mention that the ministry in the last year and a half or two years has had a working group on the mandate and role of conservation authorities in Ontario. It has been a pretty thorough examination of the role and mandate. It has touched base, I would think, with just about every organization with an interest. That will be up for finalization some time this winter.

The member for Port Arthur mentioned taxing powers. My great dilemma with your general theme was that you were all for more leadership, except where you want more consultation. It is kind of difficult to do both at the same time because, to me, leadership requires taking action. Consultation means inquiring and getting, not necessarily a consensus but a great many opinions before you take the decisions which become leadership.

That is one of the dilemmas this ministry has from time to time in highly subjective fields such as how to improve fishing or how to get surplus moose to go from where they are hard to find to where they are easy to hunt, without creating traffic problems and complaints about safety, and so on.

The pamphlet from which you were quoting, which I think is an excellent one, has been put together by our people. If you go to the second last item, again consultation, it says, "What is your opinion? These are some of the possible solutions to the problem of declining moose population and if you can suggest others, and so on let us know."

Of course, there are areas where the moose population is doing very well indeed; generally speaking they are areas that are rather remote, where there has not been timber harvesting, where there has not been major tourist industry and where they are a little hard to get to. I suppose, when you get right down to it, that is another way of saying that the hunting pressure has not been as severe. You touched on the dilemma of the economic benefit.

Mr. Foulds: I find that a little difficult in that the areas where you are in real trouble are Cochrane, which is pretty remote, and the areas where you are not in so much

trouble are Algonquin and Sudbury—well my friends from Sudbury say they are remote but they are really almost in southern Ontario.

Hon. Mr. Auld: Where they are found around Sudbury is a little off the highway. It is a long walk, if you get one and bring part of it back.

Mr. Foulds: I forgot to mention the problem about the illegal hunting in those areas.

Hon. Mr. Auld: We have done something about that. We will be talking about that later in vote 2503, but in terms of the letter from the Federation of Anglers and Hunters, about resident anglers' licences I must say I have to take the blame for the announcement going out in general before we'd had an opportunity to sit down with Harvey Goldsmith and his people, and with others, the Northern Ontario Tourist Outfitters Association and a number of groups.

As it happened the decision was made by the government not to propose a resident's licence at the moment. I was away on a bit of a holiday and somebody thought that everybody else knew, and they didn't. I regret it because they were certainly active supporters of the idea of a resident's licence, providing that virtually all of the—well, the net revenue would go in the SPOF program.

However, as Mr. Goldsmith points out in his letter, the government has provided in the current estimates some \$2 million of additional funds for improving fishing, with the indication of a further increase for next year. I think that the general reception of a resident's licence will be better when it is indicated that the government will show a little progress before we get to the point, which will take several years to gear up to, of being able to use meaningfully the roughly \$8 million to \$9 million of additional revenue that would be generated.

As far as the tragic event at Nakina is concerned, the very thorough review which the ministry has done is in the hands of the coroner. We have indicated to him that we will be guided by his recommendations as to how that report is dealt with and whether any part of it, or all of it, might be released before the inquest is completed. That is really in his hands. If there is no recommendation from the coroner or the coroner's jury at the end of the inquest, then we will have to make some decision, as you mentioned, as to whether we should release all of it, or parts of it.

There is no question, as far as the ministry is concerned and as far as I am concerned, that we want a thorough study by the coroner and his jury. We don't want to do

anything that might be considered prejudicial to the inquest, which starts tomorrow.

Finally, about iron, and deviating slightly from what I said, we touched on it in about three words. The real key to part of the problem with Canadian iron ore and Canadian steelmakers is that an awful lot depends on the chemistry of the iron ore and the type of plant. There is still a lot of imported steel coming into this country. The thing that I think has been saving the industry is to some extent the Canadian dollar versus the US dollar. It isn't that easy to build a whole new plant if you decide to switch from taconite to haematite, for instance. Perhaps we will have an opportunity when we get to that vote to have staff explain some of the problems.

There are massive reserves of iron ore in Ontario and in Canada. I can't say off the top of my head what our exports of ore are. It does seem strange to a layman that on the one hand we are importing ore from Michigan into Sault Ste. Marie and at the same time we are exporting ore from Thunder Bay to Ohio. The chemistry and the mechanics of steelmaking are something like that of the nickel process. There are certain kinds of ore that have to be treated in certain ways. Just because somebody else has some more ore, maybe you don't have \$150 million to change your plant to accommodate it.

I think, Mr. Chairman, that is the sum of my comments at the moment. Perhaps we can go to the details of vote 2501.

On vote 2501, ministry administration program:

Mr. G. I. Miller: Thank you, Mr. Minister, for your interesting comments in your opening statement. I am not sure what we can discuss on this vote.

Mr. Foulds: Go ahead and try. It never stopped you before.

Mr. G. I. Miller: We've done a few things. There were some comments from the member from Thunder Bay the other night that they didn't want us from southern Ontario to take a tour of northern Ontario—

Mr. Wildman: No, no. We want you to use the six trips that are allowed you.

Mr. G. I. Miller: I think it's because they have so many resources up there, maybe they don't want to expose them all to us. But there is a lot of potential—

Mr. Wildman: You also have six trips.

Mr. G. I. Miller: One day this spring we did have the opportunity to get to Dryden to see some of the facilities you have there.

I would like to indicate to the minister that I think they have tremendous potential there.

It came out very clearly that the Wabigoon River is polluted. I don't know whether they really want to resolve those problems all at once. They wouldn't have anything to talk about in the north then. I think we could do that town a lot of good by cleaning up the river and improving the atmosphere there.

They have a nice golf course and a nice recreation centre there that are just as fine as anything we have in southern Ontario.

Mr. Wildman: Not too many people who live on the reserve use that golf course.

Mr. G. I. Miller: I think it would do a lot of good on behalf of this province if a few more members were given the opportunity to take a tour of the north to see how they live and what they have to work with, so we could help them to develop it.

Mr. Minister, we met with the Minister of Transportation and Communications (Mr. Snow) back on September 13, together with a group to develop highway 3 as a parkway, or as Thomas Talbot Drive. I think the people from your ministry were there at that time. My colleague, Jim McGuigan, and I met with a group from Chatham and the warden of Kent county and discussed the possibility of setting up a Thomas Talbot Drive, so we might utilize highway 3. It is an old, historical road.

We do have a lot of provincial parks; five or six are in the region of Haldimand-Norfolk alone. There is a real need for the tourist industry to stimulate the economy in many of the small towns along the way, such as Rodney, Port Burwell, Port Stanley, Port Rowan, Turkey Point and Port Maitland—I think you can name them all right along the lake. It would really stimulate the economy. We have a tremendous population to draw upon, not only in southwestern Ontario but also from Detroit and Buffalo. I think if something was done—not with the Niagara Parks Commission or the St. Clair Parkway Commission in Sarnia; they might be a little expensive at this time—but if we could focus on it, I think it would be beneficial for this part of southern Ontario.

If the ministry could co-operate in this project of developing a Thomas Talbot parkway and come up with a title that would be fitting, with energy becoming so expensive, it would cut down on mileage and would really stimulate the economy of that part of Ontario.

Would the minister care to comment at this time on the project I have suggested?

Hon. Mr. Auld: The idea of a commission similar to, say, the St. Clair Parkway Commission, is somewhere in the future. The circumstances in this case are different.

As you mentioned, there are a number of public recreational facilities along Lake Erie from Niagara to Windsor. The question is tying them together, something like the way we have done from Niagara through to the Quebec border with the so-called heritage highway, which is really the old trail from Toronto to Montreal.

I believe the Minister of Transportation and Communications is meeting with a group of representatives from the various communities along highway 3 and a number of the municipal roads. The Talbot Trail is not all highway 3; there are county and other roads which are the interesting byways. I believe that he, along perhaps with the Minister of Industry and Tourism (Mr. Grossman), is arranging a further meeting with the group which approached him with some proposals. Hopefully, they will do as you are suggesting—in other words, spotlight the area to attract people to travel there, see the scenery and get off into the historic areas where there have been a number of individual restorations, plaques and what not, as well as the provincial facilities and some municipal facilities such as parks and beaches.

Mr. G. I. Miller: Your ministry is co-operating with the Ministry of Transportation and Communications at the present time. Will that report be coming out in the not-too-distant future?

Hon. Mr. Auld: I think the best way to find that out would be to ask the Minister of Transportation and Communications. I believe he has something pretty well put together, because we have been involved in that. He is the lead operator.

Mr. G. I. Miller: There are only five municipalities—the Niagara region, the region of Haldimand-Norfolk, Elgin, Kent and Essex. That would cover the complete area. I figure you could get those local people together.

I am glad to see you are supporting the idea and things are moving along in that direction.

The second concern is the conservation authorities and the direction in which they are going. The member for Brant-Oxford-Norfolk, made some comments on that in his leadoff statement. I would like to add a few things I can see would be beneficial to the province.

For example, the Caledonia dam—I would like to thank the minister for supporting that project. I think it is going to do a good job in the area.

Mr. Wildman: Did you tell him to build the dam?

Mr. G. I. Miller: I think it is a \$2.25 million investment. Why not promote, through the conservation authorities, a small electrical generator to utilize the water power? I think there are several spots on the river where they already have dams. The water is running there all the time and it seems to me it would be beneficial for Ontario to harness those sites to produce energy. I think the Ministry of Energy or Ontario Hydro would pay two cents per kilowatt—in that neighbourhood—for any hydro power produced which they could plug into the system. It seems to me this would be a step in the right direction.

The Caledonia dam provided power for many years; I think it ran two mills on either side of the river. I am suggesting to promote the project would do two things; it would provide revenue for the investment and energy for the system.

Hon. Mr. Auld: First of all, we are a little past vote 2501, but let's not rehash it. Let me deal with that.

As far as the Ministry of Natural Resources is concerned our authority is to collect water rentals on streams, as has been happening since Confederation and, in fact, before. We are not in the generating business. We would have no difficulty, I think, in granting water rights to somebody if they wanted to make the investment.

I think if you discuss this with the Minister of Energy (Mr. Welch), whom I used to know very closely, you will find it is not economic unless you have got quite a number of cubic feet per second and a fair head. There are operations around the province, the capital costs of which have been paid, which are in good repair and which are operating and producing more than their operating costs—

Mr. Gaunt: About 40 of them.

Hon. Mr. Auld: —but there have not been very many small ones built in recent years because of the capital cost and the long pay-back. I think you should ask the Minister of Energy. He's the guy who now has the book with all that in it.

Mr. Bolan: They took it away from you.

Mr. G. I. Miller: Since you shared those two responsibilities, I thought it might fit together.

Hon. Mr. Auld: I no longer have that task. I really don't know what to do with my weekends now.

Basically, it just isn't economic at current rates until they get into a fair-sized dam.

There are some places where the dam is in good shape but the machinery is worn out where we would be in a slightly better position. The capital cost of a dam, plus the machinery, is substantial. You have to have a lot of water and a fair head with a consistent flow. You can't run it on high water in the spring, much as a lot of people would like to. Ask the member for Halton-Burlington (Mr. J. Reed), he's got one.

Mr. G. I. Miller: I know that's one he's promoting and he's the expert in that field. He thinks it's feasible and could be beneficial.

Hon. Mr. Auld: He's blowing fuses every day to prove it. The trouble with the gadget that feeds it into his electrical system is that if by chance he forgets to turn off the hydro, it gets a little—But that's just growing pain; he'll work it out.

Mr. Gaunt: He goes out and treads water every morning before he comes in here.

Hon. Mr. Auld: And in the evening he turns it on and glows in the dark.

Mr. G. I. Miller: I think still it was justified. Another thing maybe for the conservation authority: I know they have done considerable tree planting but I think they have something over 100,000 acres of land now. Again, you have promoted for many years planting two trees for every one cut.

Mr. Wildman: They keep trying to forget about that one.

Hon. Mr. Auld: No, I have been promoting two fingers for every one cut. I think it was Frank Miller who was promoting the trees.

Mr. G. I. Miller: I think southern Ontario has been neglected as far as the tree-planting program is concerned. Again, our colleague, Jim McGuigan, who drives down from his riding in Kent-Elgin, has said that in the spring of the year there is a lot of water runoff, a lot of wind damage, some soil erosion with the cash-cropping that is taking place now.

I think a little more emphasis should be applied to the tree planting to utilize some of our waste space and maybe expanding the St. Williams tree farm. Is it running to capacity at the present time?

Hon. Mr. Auld: It is; it has been extended a bit and it has new cold-storage operation for the additional trees so they can be packaged in the fall and be ready to ship out in the spring at the right time.

Again, unfortunately, I don't have the book with all the figures. It will add another 10 pages but next year we will put all the details about the tree-planting program in southern Ontario in the opening speech.

You don't notice it as much, but there is a major program going on in the southern part of the province. In southwestern Ontario, of course, land has been so valuable people have been cutting trees down. That is why we had the further amendments to the Trees Act in the last session and one of the reasons why we have got into forest management agreements and a variety of programs to encourage people to plant more trees. When we get into that vote we might have a short report at the beginning on what has happened.

Mr. G. I. Miller: I think it has only been about 30 years since we used our woodlots for exactly what they are being utilized for now and what it is coming back to. You will see a pile of wood at every little garden centre along the road now where you can buy wood to supplement your home heating.

It takes 75 years to grow a tree, particularly a hardwood tree, that is usable and I think it is something that is needed now and in the future. The conservation authorities can be utilized, as well as for recreation, as a regenerating facility for providing that fuel and heat for future generations. I think it is very important and should be a priority for this ministry.

Hon. Mr. Auld: For some time, with our active support they have been assisting us in most areas in encouraging more planting and more proper forestry practice in woodlot management and so on. Again, I think a good deal has been done.

The trend, with certain area exceptions, is that forest management on a good farm woodlot is a lot more acceptable than it was. A lot of people thought the best thing was to cut the trees down and plant corn, or whatever, but people have seen the error of their ways because of erosion and so on and there has been a change. But, just as you say, you can cut them down pretty quickly but it takes a long time to grow them.

We will probably be talking about the highway poplar program.

Mr. G. I. Miller: Poplar is not a firewood. It could be utilized for alcohol, or whatever. It might be useful there, but from a firewood point of view it is kind of useless.

Hon. Mr. Auld: From the point of view of a crop and something that will rejuvenate the land and help to keep the water table back and stop erosion it has a pretty fast action, and it has a place.

[9:30]

Mr. G. I. Miller: I was just talking to some of the workers at St. Williams. I think it was one of the first stations in Ontario and

I think Norfolk county was a first in the reforestation program. They have been the leaders in the province for 50 years; I think it goes back to 1920. They are just beginning now to harvest beautiful stands of white pine. Every year they are cropping and that is from 1920, a 50-year period.

Hon. Mr. Auld: There is a great difference between Norfolk and, say, Essex or Kent or Lambton.

Mr. G. I. Miller: Yes, but it is still good land and could still be worked. Woodlots may be a useful thing as wind breaks and maybe a good place to start to set some examples would be at the experimental station in Ridgetown.

Hon. Mr. Auld: I have some figures. If I am permitted, Mr. Chairman. Looking at Algonquin, the eastern, central and south-western regions which are what we generally think of as southern Ontario, the total regeneration in those four regions in the year ending March 31, 1978, was 197,584 acres. That is not to say they are all 40 feet high, but that is the number of acres we treated in that year. That includes planting nursery stock, planting container stock, direct seeding, seeding with site region, scarification, strip cutting, seed tree cutting, shorter wood cutting, clear cutting and then that figure of total regeneration.

Mr. G. I. Miller: How does that compare with, say, five years ago? Has that acreage increased?

Hon. Mr. Auld: I think it is an increase, but I haven't got it. We will have it for you Wednesday morning, if you like.

Mr. Riddell: We should change the laws, Mr. Minister, and allow the farmer members of the Legislature to make use of that woodlot management program.

Hon. Mr. Auld: Don't we?

Mr. Riddell: No.

Hon. Mr. Auld: Well, Jack, you are as prominent as anyone.

Mr. Riddell: Since I became involved in politics, I can't apply for that woodlot management program.

Hon. Mr. Auld: The Ontario Woodlands Improvement Act, you mean. Sure you can. Just get a resolution of the House. You can.

Mr. McNeil: We will be glad to give it unanimous consent.

Mr. Riddell: Thanks for your support, Ron.

Hon. Mr. Auld: In fact, I don't even think it has to be unanimous. You just have to get it through.

Mr. Riddell: We will have to give that some consideration.

Hon. Mr. Auld: I will be delighted to sponsor it if the minister is permitted to do that.

Mr. G. I. Miller: Getting back to the fishing industry on Lake Erie, I was wondering what plans and programs there are at the present time for restocking?

Mr. Foulds: Is this systems development?

Mr. Chairman: This is another vote, but he is getting some information he needs.

Mr. Gaunt: I have a couple of items I would like to raise too, Mr. Chairman.

Mr. Foulds: That's why we never get to discuss forestry or mining in detail.

Mr. G. I. Miller: I was wondering what programs are you using for restocking? I understood there was restocking in Lake Erie this year on a commercial fishing basis. Do you have people around tonight with that expertise?

Hon. Mr. Auld: Unfortunately, not with the detailed information that you need. We will have it.

Mr. G. I. Miller: I want to be fair to the other members. Just in case I don't get a chance to get back in, sometimes it is a little difficult to get back.

Hon. Mr. Auld: It is on vote 2503. We might get to that tomorrow.

Mr. G. I. Miller: The second question in the same regard is on perch fishing. I don't know if you are aware—I think you are, as we have discussed it many times—about problems over the size of the perch. They can't get them eight inches long and there has been some abuse in not throwing the little ones back in. They haven't been able to come up with a plan that is adequate to protect the fishermen's living. I wonder if there has been any thought given—and I am sure there has been—to a quota system.

Hon. Mr. Auld: Are you talking about commercial fishermen?

Mr. G. I. Miller: I am speaking of the commercial fishermen, yes.

Hon. Mr. Auld: As a matter of fact, we are in the process of introducing a quota system in part of Lake Ontario. We have one now in Lake of the Woods, perhaps not as fully. It would look as though in a number of areas there will be more of the quota system because of the resource which is diminishing in some places for several reasons.

Once again, if we are now talking about size limits, netting, impounding gear, gill

nets and so on, I think it would be better if we dealt with that when we get to the vote and I have the expertise beside me. It will be more meaningful and it won't take as long.

Mr. G. I. Miller: I think there was one other area, lake erosion. Erosion problems have caused a considerable loss of land in Mr. McNeil's riding between Port Burwell and my riding at the upper end of Haldimand-Norfolk. I know they were making some studies in the past two or three years about coming up with a program or a plan for protecting the lake front. I wonder if there has been anything concrete done or any suggestion made that can control it on a long-range basis.

Hon. Mr. Auld: That is in the next vote. I know there have been studies and experiments, drillings and one thing and another going on for a number of years on Lake Erie in that connection, and on other lakes too, though there are different problems on different lakes.

I can't tell you at the moment that the problem is solved. In fact, I can't really tell you anything definitive because I don't have the information in front of me. I know there are some methods which have indicated success for a period. Then we get a change of conditions. The prevailing wind switches for a longer period than usual, the currents change and the drillings have to be resited.

There have been several situations where people have deposited fill and we have required them to remove the fill because they have solved their own problem but simply moved it down the shore a little way. Again, if we can deal with that one in the appropriate vote, we will have a little more information available.

Mr. G. I. Miller: I think I will defer now to my colleagues.

Mr. Chairman: Mr. Lane is next. Then I have Mr. Wildman, Mr. Gaunt and Mr. Riddell. I would ask you to please stick to vote 2501.

Mr. Lane: I will be very brief on this vote. I will have more to say on land management programs and fish and wildlife.

I would like to take this opportunity to congratulate the minister, not only on his own efforts but on those of his staff. I think all ministries have good people, and you are exceptionally blessed with good people around you. I do most of my work with your people here in Toronto and with the district of Espanola office. I am really amazed at the way those guys from Espanola hang in in

tough situations and make things come to pass.

We have had a couple of occasions, which you are probably not aware of, where we had very difficult situations. They have been satisfactorily resolved because your fellows in Espanola were dedicated enough and well enough informed in the situation to hang in there and resolve the problem.

One of those was the trout situation in Lake Manitou. Some of our native people were trying to capitalize on lake trout and take them at a time of the year when they shouldn't. They would then dispose of any that were over and above their own needs. As you know, Lake Manitou is one of the best trout-fishing areas we have around.

The result was there was a court case involving some native people. Your people and I were warned to stay off the reserve. Had we done that, we never would have got the problem solved. But cooler heads prevailed, and we now have the full co-operation of that particular band. They are taking the white fish out of Lake Manitou and preserving the trout. That came about because Don Houston, your wildlife man, hung in there and spent a lot of nights and a lot of hard meetings to get the point across that we were going to have good dollars from the tourist industry on Manitoulin Island and some good fishing, and if people wanted to enjoy it, we had to protect the trout.

The other situation concerns a meeting I attended not very long ago where the land owners were very upset about the deer hunters. There was so much trespassing going on and so much property damage that they wanted a closed season, they wanted this and they wanted that. We were one of the first areas in the province to have a licence with a letter of permission attached to it to make it valid.

Your boys in Espanola worked exceptionally hard to get that through, and last year was the first year since I have been a member that I had no complaints whatsoever from hunters or from land owners or farmers. Everybody seemed to be happy with the new situation. So I think we really don't know how much hard work these people do and how many long evenings they put in.

I have been at a lot of meetings where they sit till 12 or one o'clock at night trying to reason with, in some cases, people who are not exactly prepared to reason with them and yet have been able to achieve pretty satisfactory results.

So I am very happy. They don't always tell me what I want to know, I will tell you that. They can't always agree with me, but

at least they tell me why they can't agree with me. The people in the Espanola office especially, that's the one I deal with mostly, do a terrific job up there. I have a very high regard for the bulk of the people. I just want to put on the record that I have had the same experience with staff members here in Toronto and in other places, but I am especially pleased with the results I am getting from your people up there, not because they are my people but because they are working for the people in my area.

I won't say any more, Mr. Chairman, at this time. I do have some things to say on votes later on down the stream that aren't so complimentary. My friend from the far north has some problems that are concerns of mine, as well, but we will be back and see you later.

Mr. Wildman: Mr. Chairman, I have just a couple of things to raise under the first vote. Could I have your direction here? Are we dealing with all items at once, or are we going to go through each item?

Mr. Chairman: That is up to yourselves. We are on vote 2501, and it doesn't matter if you want to speak so long as you speak to 2501.

Mr. Wildman: I want to echo the comments made by my colleague and neighbour from Algoma-Manitoulin with regard to the staff of the ministry in general, and because I have, or should I say had, a large number of districts in my riding.

Hon. Mr. Auld: Still have.

Mr. Wildman: Still have, yes, but it appears we are going to have one less. I appreciate the minister having taken the time to meet with me and representatives of the residents of the improvement district of White River with regard to the plans for the down-grading of that operation there to be a work centre or satellite-type office of the Wawa district.

[9:45]

As I said at the meeting we had this afternoon, I appreciated your taking the time to meet with us and I appreciate your concern about the matters raised by the representatives of the town. But I must say for the record that while we appreciate your consultation with us now, consultation after the decision is made is useful in terms of talking about how it will be implemented, but I reiterate that I think it would have been far better if we could have had some more complete and comprehensive consultation with the representatives of the community prior to the decision being made. I would hope the

review of the decision will come up with some kind of proposals to try to alleviate the serious impact that decision will have on the economic and social life of the community of White River.

However, since we met this afternoon and discussed that, I would not go on at length about it. I just want to say it seems to me the whole idea of decentralization that the ministry has been following should not be seen only as decentralization out of Toronto into the field. I understand the minister's qualifications on that in terms of the possibility there may have to be further consolidation throughout the province because of the constraint program that has been instituted by the government. However, the program should be seen as decentralization throughout the province wherever possible, in getting the operations of the ministry as close as possible to the resources it is their responsibility to manage. Moving the administration and control of an operation 60 miles away does not seem to be fitting in with that philosophy.

My colleague, Mr. McNeil, just indicated to me that his riding is only 70 miles across. If that is so, that gives some indication of the distance it would be now for people from White River if they wished to travel to the MNR district office to talk to the district manager or the works manager or whatever. I would hope that however that plan is implemented it will be done in such a way it will be as unnecessary as possible for people to have to travel that distance in order to contact the administrators of the district. As I said, I won't go on at length about it.

I think the sum of about \$100,000 that you put out as a possible saving is something that is commendable if that \$100,000 can be shown to be used for some other area of the ministry's operation—for forestry management or fish and wildlife management. But if it is simply a saving that is not going to be returned in any way to the area and is going to involve longer distances for the ministry personnel and also for the people they are serving, it doesn't seem desirable to me.

Hon. Mr. Auld: As Bud said, we had a meeting this afternoon in which we indicated that we felt the service to the area would continue, in terms of convenience. In fact some of the services would be enhanced because we would have more technical people, not working in White River, but working out of Wawa, and we would be able to do a better job. I undertook to look at the situa-

tion because the concern that was expressed, and an understandable one, by those from the community was along the lines of what John Lane has said. He said a very high-quality staff was going to be lost to the community in terms of volunteer service and community effort.

Mr. Wildman: I think their comments are really a tribute to the calibre of staff that you have in the White River district and in your ministry. The community obviously views the loss of those families and the people working for the MNR district as not only an economic loss due to the loss of the payroll coming into the community which is very important, but also a social loss—the effect on the community in terms of community activities, leadership in the community and so on. I think that is a tribute to the calibre of staff you have working in your ministry. That is something that is of value in most of the small communities in northern Ontario.

Hon. Mr. Auld: In connection with your other point about that money being lost to the ministry, in fact it won't. You can't really follow a dollar around in the consolidated revenue fund, but the fact is that there are \$2 million more in our current budget for fish and a very substantial sum for reforestation, which is new money—it had to come from somewhere. It did not by any means all come from within the ministry. What we will be saving there I think will turn out to be a little more than the amount you mentioned, and certainly in the first instance be able to help us pay for some of the new things we are doing.

We have to make our old operations more efficient or reduce certain of them as we change our priorities. It is always difficult to move operations and it is more difficult and more painful, in a way, in small communities than it is in large ones. I say this even though we have moved about 700 people out of Toronto in the last four or five years to get them out in the field. In a place this size, it isn't noticeable.

Mr. Wildman: In a community of less than 1,000 it is significant when you consider the families and so on.

I had a couple of other things under this vote. In terms of personnel, the minister may say I should raise this under management board estimates, and if that's the case I will, but I know he has some considerable knowledge about management board policy. What I am concerned about is so-called casual staff or contract staff for the Ministry of Natural Resources. I have raised this many times in the past but I have a particular

concern here in relation to the last contract signed by the public service employees.

A number of casual staff in various of the ministry's districts in my riding have raised the following question with me: if they were on a contract that ended, let's say, the end of January, and then were rehired in May for another position—I think the settlement was in July, is that correct, something like that?

Hon. Mr. Auld: The effective date of settlement?

Mr. Wildman: Yes, and was retroactive to the beginning of the year for the permanent staff? In fact, the casual staff did not get retroactive pay for this period. Say their contract went from October of last year to the end of January this year; they didn't get their retroactive pay to January 1. If they came on staff the first of May and worked, say, until now or until the end of the summer, when the settlement came through they got their increase but they didn't get it retroactive to May 1.

It seems to me if the permanent staff got retroactive pay the casuals should get it—with all of the problems I have raised and many other members have raised in the past with the so-called casuals. I keep saying "so-called" because, as was raised in our meeting this afternoon, there are a number of people who have worked for many years who are so-called casuals for MNR.

Hon. Mr. Auld: But they haven't worked a full year. They have been traditional summer employees or winter employees.

Mr. Wildman: Yes, we've gone through that many times in the estimates. But at any rate, the fact is they are employees who have done a job for which other employees received an increase and they received an increase. But the permanent employees got it retroactively and they didn't.

There is resentment on the part of some—I'll admit not all—about this continuing merry-go-round of working and then being laid off and then being hired again and being laid off and so on; they feel this certainly isn't an example of being treated well.

I really wonder how much money was saved by that. I wonder what the minister's feelings are about the fact that these people who are doing a job for the ministry are not getting the retroactive pay that permanent employees have got?

Hon. Mr. Auld: As I recall the policy, a nonpermanent staff, a contract employee, either group one or group two, is entitled to an increase if it takes place while he is in that position. It is retroactive to the time of the

increase. If he was not, of course, he wouldn't be getting wages for a time he wasn't working.

Mr. Wildman: My information may be incorrect, but I understand these people did not get the retroactive pay. As a matter of fact, I understand the union has a grievance filed as a result.

Hon. Mr. Auld: Were they on staff at the time the increase was announced?

Mr. Wildman: Yes. As I said, the settlement I think was in July and was retroactive to January 1. If someone was on staff from January 1 to 31—

Hon. Mr. Auld: And then he had left the staff.

Mr. Wildman:—then he had left the staff—

Hon. Mr. Auld: Then he was out of luck.

Mr. Wildman: Then if he has come back on staff on May 1—

Hon. Mr. Auld: He would get it effective May 1.

Mr. Wildman: I am not even sure that has happened.

Mr. Spry: There are a lot of different types of unclassified staff, both type one and type two unclassified. Type one covers the contract people who are hired for a specific job for a specific period of time and at a specific rate. They don't normally get any increase during the period of that job. The casual staff who come on normally receive an increase when the increase is given, but there are some variations in that.

I wonder if it might be better to provide the several categories of people and a little explanation as to exactly how each is treated. It is quite true there have been some letters, and so on, come in that we have been dealing with and I believe there is a grievance that has been formally filed. But I think we could do better to illustrate the policy we have internally for the different groups of unclassified staff.

Mr. Wildman: I was under the impression there had been a grievance filed. I won't go on at length about that, but it seems to me if a person is doing the job for you and is doing the kind of job that leads to a situation where he is continually rehired, first off he should be a permanent employee. But second, if you are going to continue this kind of basis where they are off and on, and off and on, fine—if that has to be, I guess that's the way it's going to be—but at least when the employees' increase comes along and is made retroactive, and all the other permanent employees with whom these people are working

are getting it, then surely they should be getting it, too.

[10:00]

Mr. Spry: I think I'd not like to react to that right out.

Hon. Mr. Auld: We can have that on Wednesday?

Mr. Spry: Yes, we will have it.

Hon. Mr. Auld: Our categories and our policy allow latitude within the Civil Service Commission rules. There are some fine lines. As you say, there are a number of people, in every riding where there is winter maintenance, who have been on it for years; drivers, wing men, operators and so on. There is no guarantee they will be back the following year, either on their part or your part. In fact, sometimes it is difficult when they are expected and get a call and then don't show up, and that's two days before the snow flies.

They are in one group. The other group of similar employees is the summer employees in parks. They work every summer and do something else in the winter. It is a little complicated in some parts of the province when you have the same fellows, who are winter employees, and then they are off for a month or so, they go into a different classification, and they are summer employees. That's one of the reasons for the policy that Doug has expanded upon, between group one and group two.

Mr. Foulds: Isn't one of the problems you are having with casual contract employees in summer service—for example, in the fire-fighting area—that with the shortening of the contracts that you are assigning them, you are in fact having more and more difficulty retaining your pool of experienced people? I just put that question on now, so that when we get to it, you can have information available. I think what has happened is you have shortened the contract period and you aren't being able to draw on your experienced casuals. In particularly crucial areas, such as firefighting and tree planting, this could become a real problem.

Hon. Mr. Auld: We had some pretty expensive tree planting a couple of years ago, when we had a whole lot of fire crews and no fires, which is great. But we had them busy tree planting, as I recall, and doing other things. We can deal with that when we get to that particular vote.

Mr. Wildman: The other thing I wanted to raise under this vote in the main office is questions I have raised with the ministry staff with regard to the philosophy of the ministry in allocating timber limits. It seems

to me the ministry allocates limits almost solely upon what the staff or unit forester determines is the optimum harvest in terms of the maturity of the forest and so on, when in fact those decisions could have tremendous impact on the areas that are not directly related, just simply to good forest management.

I am thinking in specific terms of the example of the community of Missanabie in my riding. This was raised at the meeting this afternoon before you came in, Mr. Minister.

Hon. Mr. Auld: Was that after the fire?

Mr. Wildman: Yes. In fact, you had Austin Lumber Company in that community, and the ownership of the company has changed hands a couple of times. The mill was last sold to Lafreniere Lumber of Chapleau in December. There was a fire in February that destroyed the mill. An agreement had been signed with the Austin Lumber Company that would run until 1986. Lafreniere substantially increased his total limits.

Austin's limits were much larger than Lafreniere's own limits for his operation in Chapleau. When he purchased the mill, he got those limits. After the fire, there was some question about the future of the mill. Lafreniere made some noises about the fact he might be interested in rebuilding that mill. Now it appears he is not going to do that. He has had substantial loans from the provincial government and grants from the federal government through DREE for his operations in Chapleau. He is currently involved in negotiations with DREE and with the Ministry of Industry and Tourism for further moneys to expand his operations in Chapleau.

At the same time he is involved in building bush roads through his delimit that will lead to Chapleau. I understand he is getting 50 per cent of the money for the building of those roads from the government under the new federal-provincial plan. A substantial amount of the taxpayers' money has been invested in Lafreniere's operations, which I suppose are helping to expand the operations in Chapleau, but Missanabie is now in the situation where the limits on which that community has been dependent for years—Missanabie, I suppose I don't have to remind you, is one of the oldest communities in northern Ontario and for that matter in North America. It was originally a Hudson's Bay post away back in the 1700s. It has been there for a long time, originally as a trading post. Then came railroads and then lumbering and tourists. It still has the railroad, but there are no bush operations right now in Miss-

anabie and will not be at least until after Christmas. It's my position and it's the position of the people in the area that those limits are the life-blood of that community. They have been used in the past to feed a mill in that community, but in fact the Ministry of Natural Resources' position seems to be that as long as the harvestable timber from those limits is harvested, it's not up to them to decide where it should go.

In other words, they could ship that timber to Timbuctoo as long as it was being cut according to the agreement. That's fine I suppose if the ministry had a program for helping to build roads to Timbuctoo, the ministry would make an agreement and help build the roads so they could ship the timber there.

I know I am exaggerating, and Chapleau isn't Timbuctoo, but the fact is the community is hurt. Without that timber going to some kind of operation in Missanabie, there isn't much future for the community. We asked for a meeting to be arranged with the Ministry of Northern Affairs to discuss the future of the town and the future of the limits, involving all of the various ministries. That meeting was held. Of course, just prior to the meeting being held, I found out the Ministry of Natural Resources hadn't even been invited by the Ministry of Northern Affairs.

Mr. Foulds: It's supposed to be a co-ordinating ministry.

Mr. Wildman: It was only when I talked to the present Deputy Minister of Northern Affairs, who happens to have some close attachment to the Ministry of Natural Resources, that he agreed that perhaps the Ministry of Natural Resources should be represented at the meeting.

We went to the meeting. We dealt with some immediate problems they face as a result of the closure of the mill operations there. There are immediate problems in terms of road maintenance that used to be done by the company, in terms of fire protection and in terms of water that used to be supplied by the company through their water system, but nothing has been done by anybody, whether it be the Ministry of Natural Resources, the Ministry of Northern Affairs or anyone else, about the long-term prospects of Missanabie.

As I say, it appears the Ministry of Natural Resources' position is that as long as the timber is cut, it doesn't matter where it goes. It doesn't matter if the community disappears and becomes only a bush camp, or a logging camp when the logging operations are close enough to Missanabie.

I am told by independent foresters in this particular case, Mr. Chairman, that perhaps for the next 10 years it would be more economic, especially with these new roads being built, to ship to Chapleau rather than to rebuild the mill either in Missanabie or in the nearby area of the community of Dalton. After 10 years, I am informed, it would no longer be economic. It would just be too far to ship to Chapleau and it would be much more sensible to have a mill in this area.

With all of this preamble, really my question is: What is the ministry's position with regard to the allocation of limits? Do you take more than the advisable harvest in terms of the maturity of the timber and so on into account in determining who gets the limits and how long an agreement runs?

Hon. Mr. Auld: I think here again perhaps we are on a vote ahead of the one that would naturally deal with this—

Mr. Wildman: I thought it would come under main office policy.

Hon. Mr. Auld: I suppose it is, but we are really in vote 2504, forest management.

Mr. Wildman: The reason I asked, Mr. Chairman, was just for clarification because I raised this with the regional and district people at the meeting that took place in Missanabie and they informed me that any kind of decision on the allocation of limits on the basis of where the timber is going would be a decision that would have to be made at the top level. That's why I am raising it here; this is "main office."

Hon. Mr. Auld: It's in the Whitney Block, but the fellows who would advise and assist the minister get paid under vote 2504, and I don't see any of them here tonight. However, I think I can answer it this way: As far as the allocation of wood is concerned, we look at the allowable cut, forest inventories and that sort of thing. As far as the location or the operation of the licensee is concerned, we are anxious to see the existing communities and the existing operations that are properly run, continue and expand.

However, the licence about which you speak I am informed is the Austin licence, which Lafreniere purchased and which has been operating in that area for over 75 years. It has sometimes operated in Missanabie, sometimes in Dalton and sometimes in Chapleau, and so historically that wood has been sawed or milled in a number of places. It would look, from the information we have on Lafreniere's proposal, as if that firm is considering sort of a major expansion of a flakeboard plant. It would look as though for

the general good of the area and the effectiveness and the long-term viability, the base in Chapleau would make greater sense. It's a larger community. Houses and all the other amenities and so on are there and, as I say, that licence covers a large geographic area.

Mr. Wildman: Lafreniere didn't have much of a licence before that.

Hon. Mr. Auld: Over the years, depending on the economics and again, not from first-hand knowledge—in the days of a sort of portable mill, it was not unusual for mills to move around almost like asphalt plants and gravel pits.

Mr. Wildman: Well, mills have moved around in that area for some time because of fires.

Hon. Mr. Auld: That's another reason. Generally, the old mills are not rebuilt in the same style, but are built in larger, more expensive, more automated processes.

[10:15]

Mr. Wildman: I just want to point out that Chapleau is 70 miles or close to it from Missanabie, a long distance, and it appears Lafreniere's operation is expanding in Chapleau. It makes more sense to expand in the larger centre. Then there are those cynics, of which I am not one, who would consider that that fire at Missanabie was very convenient. Anyway, I'll leave it at that.

I have one other question, but I'm not sure it does come under this vote, Mr. Chairman. I don't know whether it would be better to raise it under legal services or under the land management vote. It's in regard to a matter that I know was dealt with by the minister's office. It is the present status of the negotiations on the 1924 land agreement. From the last I heard, the federal Department of Justice had prepared a response.

Hon. Mr. Auld: The land agreement with whom?

Mr. Wildman: With the federal government. It's an Indian land agreement that deals with mineral rights and so on on Indian reserves. The negotiations have been dragging off and on since 1924.

Hon. Mr. Auld: Is it a specific treaty?

Mr. Wildman: No, it's all Indian lands. Ted Wilson of your office knows about it.

Hon. Mr. Auld: He is with our secretariat. It is a matter of land management but I have no objections whatever way we deal with it.

Mr. Wildman: I'm just looking for an answer. It doesn't matter if he can't answer it now because he's not here; I'll leave it to

later. I just wanted to know the status of it because negotiations have been dragging on back and forth between the federal and provincial governments for the last 50 years.

Hon. Mr. Auld: There is a whole series of claims. Different principles and different treaties are involved with them.

Mr. Wildman: These aren't land claims. Maybe it would be better if we left it. This isn't a land claim in relation to the treaties. It's an argument partially at least over who gets the royalties, from mineral operations or aggregate operations on a reserve.

Hon. Mr. Auld: The deputy would be delighted to comment on that.

Mr. Wildman: I would just like to know the status of the negotiations.

Dr. Reynolds: It's by no means a dead issue. There may not be anything very conspicuous at the moment in terms of action but there is a great deal going on. Your question is very timely because only this afternoon I dealt with what must have been 10 pages of proposals for the next stage of discussion of the matter with Mr. Justice Hartt.

Mr. Wildman: Tripartite discussions?

Dr. Reynolds: That's right. It's a matter of back-and-forth negotiations. There is still a long list of issues to be resolved and various positions to be put to this, but it is being pursued actively. Despite my use of the word "active," I've got to say it's a long way from resolution. The number of issues is being narrowed very conspicuously. I don't think it's going to be settled in a year or two. Frankly, it's very complex and, as you say, it has been going on almost since the agreement was reached 55 years ago. None the less, the resolution is being actively pursued. Mr. Justice Hartt is heading this in the tripartite discussions and it's moving along.

Mr. Wildman: Can I ask one question in relation to that? I'll leave the details of the whole thing for later on. It has been raised with me by some native groups—I don't think they're united on this—that they think the negotiation process has been slowed down by the tripartite discussions.

Hon. Mr. Auld: How can you tell when it has taken 55 years?

Mr. Wildman: In the past, it has always been between the federal and provincial governments.

Mr. Foulds: An expert like you should be able to notice.

Hon. Mr. Auld: You really have to put a fine stake into it.

Mr. Wildman: It has dragged on for an awfully long time. Ever since the agreement was first made, there have been demands for the treaty to be renegotiated and changed. It has been going on and off. Proposals from the federal government and the provincial government are being made. The federal government has been going to the native groups in more recent years asking for their advice on the proposals. It's been going back and forth between the Department of Indian Affairs and the Department of Justice, and then back to the province.

But once tripartite was set up, you had a system where you were supposed to have three equal partners: the federal government, the provincial government and the native organizations. You had a situation where, of course, those organizations wished to have input into the negotiations. So much was given over to the tripartite process that a lot of the things, even though they may only have been moving at a snail's pace before, just stopped dead because they had so much on their plate they couldn't get to them all in the first year of operations. Is that one of the situations that we face with these negotiations?

Dr. Reynolds: Mr. Chairman, I don't think that is a fair generality. There may be some specific exceptions, but I don't think that general criticism of the tripartite process is fair. There is a much more, if you like, formalized procedure, rather than it being a sort of hit-and-miss process where it would be on this agenda and forgotten next time, and so on. That has all gone by the board. Everything is laid out and a rather orderly way of dealing with them is now in process.

It doesn't mean that very much has yet been settled but at least they are all being considered in an active and organized way. So I think it's fair to say that there is nothing falling between the slats and not being dealt with, or being dealt with at one meeting or for two minutes and then suddenly you realize it has not been completed. It's all being organized.

I hold out great hope for the tripartite process. It's slow, but it's not as slow as the nonprogress of the last 55 years. I think it holds out great hope for settling some of these terribly contentious issues. As you say, it's not just a matter of the difference of opinion between the levels of government or between the native people and the government, but often between groups of Indians themselves. These differences have to be resolved. There has to be some consensus among the Indian groups involved or between the provincial or federal agencies.

This is all in the works in the present system and, while it's slow and ponderous, the issues that are being dealt with are of very great importance and very great complexity. I think the greatest hope we've ever had for a resolution lies in the present tripartite process.

Mr. Wildman: In response to that, especially if the native organizations can be truly equal partners, then I agree there is a possibility and a hope of a real resolution of many of these contentious issues. However, one of the criticisms that I have of that process is the fact—to use the example I raised of the 1924 land agreement—you have the federal Department of Indian Affairs and the Department of Justice with all of their legal expertise; you have the provincial Ministry of Natural Resources with its legal department and its lands people; then you have the native organizations which do not have the fund or the legal personnel.

Hon. Mr. Auld: Oh, Bud, the funds—

Mr. Wildman: You look at the state of Treaty Nine right now, for instance.

Hon. Mr. Auld: I'm not talking about what they did with them; I mean, how much was put forward?

Mr. Wildman: I don't want to get into the whole question of how funds were used, but the question right now is for the future, when there may be some problems in things slowing down. They're not fast processes as it is and there may be some problems in their slowing down even further. That's a concern I have. I hope the deputy minister's view of the situation is correct and it's not a situation where things are just being piled up on a plate where they are going to take a long time to be consumed.

Hon. Mr. Auld: What I think has happened, from my short involvement thus far, is that one of the problems before was there was a great big plate with a whole lot of stuff piled on it in no particular order, and people kept picking at this one and picking at that one. At the present time, as Dr. Reynolds says, there is a process, there is an agenda, and all the things that are on the agenda have to be agreed to by the three players.

I am told that what used to happen was you got 30 people in a room and each one of them had something he wanted to discuss, so nothing was ever resolved. We are chipping away at it and I think that is the route that has to be taken. Inevitably it is a long process because it may well be that in some cases the different bands are not in agreement and in some cases the province

and the feds aren't in agreement; all these things have to be resolved.

In yet another field—because this is only one part of the tripartite process, the minerals part—there are a lot of other things having to do with land, the Temagami exercise, Lake of the Woods; each one is different.

Mr. Wildman: I wasn't talking about claims. I didn't want to get into that because that is something that would more likely be under land. I was just concerned about the negotiations with the federal government. So if you can give me the information about that during the vote on lands, then fine.

Mr. Gaunt: Mr. Chairman, I want to raise some matters to do with the changing of the boundaries of the Wingham district office. I made a speech, the minister may recall, last May about that and I can repeat it if you wish, although I don't anticipate having enough time to do that tonight. But I just wondered, has the ministry given any more thought to that matter?

I made the point at that time that I thought, in terms of a better balanced work load among the various district offices, it would make some sense to change some boundaries, specifically to the south and more appropriately to the north, so that the Wingham office would acquire two additional provincial parks and some additional responsibilities, particularly with regard to the Greenock swamp area which now resides with the Owen Sound office. Greenock township itself has passed a resolution to that effect.

Geographically, the Wingham office is much better located to deal with the Greenock swamp and problems related to that wetland area than is the Owen Sound office. Furthermore, the Owen Sound office is really overworked and doesn't have the time to deal with problems related to that. Indeed, even your own licence-issuing office in Tiverton has said it has to call in the Wingham office because the Owen Sound office simply doesn't have the time to deal with the problems related to that operation.

I wonder if the ministry has given that any more thought and if there is any chance those boundaries will be adjusted to accommodate some of the concerns I have expressed and others have expressed in so far as the day-to-day operations go.

Hon. Mr. Auld: We had a very thorough look at your proposal and some other alternatives to see whether we could improve the service and the administration and the convenience to the public. In fact Bill Foster, the assistant deputy minister for

southern Ontario, was the fellow I asked to do that in conjunction with the London region. We came to the conclusion, in a nutshell, that in the long term and in the best interests of good administration we should not make any changes.

[10:30]

I have a long list of notes of the discussions that we had as to why we came to that conclusion. Perhaps, Bill, could you sum it up in a long 45 seconds?

If we could go overtime just for a few minutes, I'd be happy.

Mr. Gaunt: I can see how I'm going to have to give my speech over again to convince Bill.

Hon. Mr. Auld: I noticed he was listening very carefully there.

Mr. Foster: We have been examining the boundaries of the Wingham district since the matter was raised by Mr. Gaunt a year or more ago. Looking at the pros and cons at this point we've concluded we'd be best not to propose a change. We grant you there is a work-load problem having to do with Owen Sound and the Greenock swamp area, but changing the boundary does present some other problems for municipalities in dealing with us.

We're continuing to look at the matter but we don't, at this point, see a strong case for making a change.

Mr. Gaunt: Just on that point, I appreciate the fact, Mr. Foster, that you and others have studied this matter. I'd be very interested, though, to learn what problems that would create for the municipalities. The municipalities have been requesting it.

Mr. Foster: We have a report that perhaps we could go into with Mr. Gaunt and discuss the details. Perhaps that might be the most satisfactory way to deal with it.

Mr. Chairman: I would suggest since it's 10:30 p.m. now, you have that report on Wednesday morning. You'll be first, Mr. Gaunt.

Mr. Gaunt: Very good, I'll be here.

Mr. Chairman: Followed by Mr. Riddell, Ms. Bryden, Mr. Bolan and Mr. Foulds.

May I remind members, there are five hours gone from the estimates. I feel that everybody should have an open mind and discuss things pertaining to them, but it's up to yourselves for the time you want to spend on each vote. Those who are given the opportunity to speak once, please bear that in mind when you speak the second time.

The committee adjourned at 10:33 p.m.

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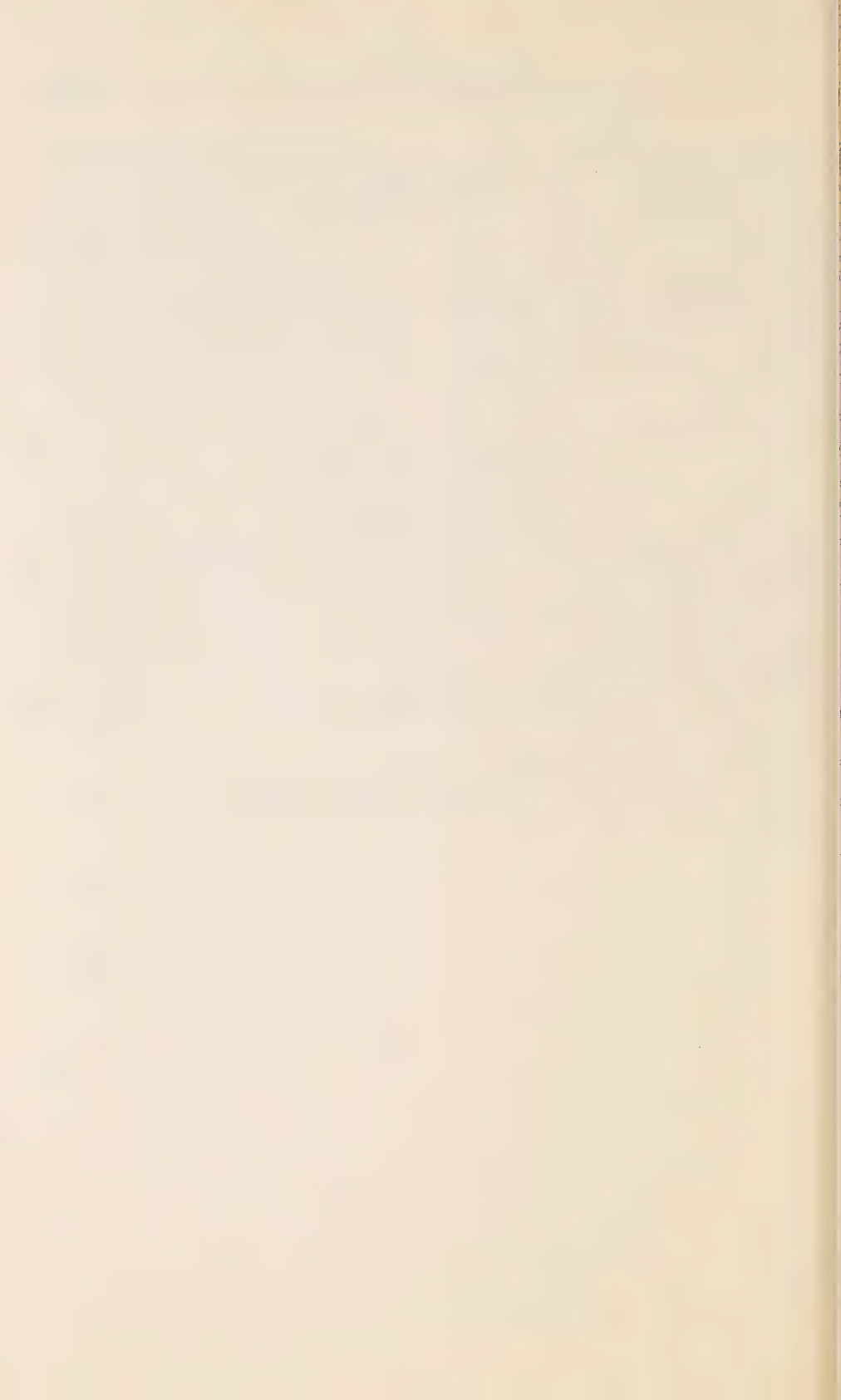
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From the Ministry of Natural Resources:

Foster, W. T., Assistant Deputy Minister, Southern Ontario
 Spry, G. D., Executive Co-ordinator, Finance and Administration Group
 Reynolds, Dr. J. K., Deputy Minister





No. R-25

Legislature of Ontario Debates

Official Report (Hansard)

Resources Development Committee
Estimates, Ministry of Natural Resources



Third Session, 31st Parliament
Wednesday, November 7, 1979

Speaker: Honourable John E. Stokes
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

WEDNESDAY, NOVEMBER 7, 1979

The committee met at 10:10 a.m. in committee room 1.

ESTIMATES, MINISTRY OF NATURAL RESOURCES

(continued)

Mr. Chairman: The meeting will come to order. Mr. Gaunt, you were speaking when we adjourned last.

On vote 2501, ministry administration program:

Mr. Gaunt: Thank you very much, Mr. Chairman. We were discussing the matter of a district office in Wingham. I was pursuing the matter with Mr. Foster. I had asked about the municipalities and the indications were that they were satisfied to stay basically the way they were. I was inquiring as to what their reasons were.

I had some indications that the municipalities were quite happy with, and indeed were encouraging, the move to the Wingham district rather than remain with the Owen Sound district because of the excessive work load undertaken on a day-to-day basis by the Owen Sound office.

I am about to make a point and I want to do this in a very sensitive way. I don't want to incur the wrath of the ministry so that they close the office altogether and say, "Look, we'll divide up the work among our overworked district offices in other areas." I want to tread lightly. I don't want to be counterproductive and cause a reverse reaction.

In any event, geographic location and work load are two of the basic issues I want to raise. The district office in Wingham is located in the northern part of its district, and if that were expanded to the north the office would be located smack dab in the centre of the district. So in terms of geographic location, it would make a lot of sense to expand to the north. In terms of the work load, obviously there is an overworked staff in Owen Sound. The Chatham district is overworked to quite an extent. Since Wingham has the lowest budget and the smallest permanent staff complement of any of the districts, it would make good sense from the stand-

point of program delivery to have a more equitable division.

As far as the administration of programs in Greenock swamp is concerned, Wingham is only 25 miles from there; Owen Sound is about 50 to 60 miles. In terms of good use of your staff's time, it would make more sense that the Wingham office, as opposed to the Owen Sound one, look after that particular project.

Indeed, the Saugeen Valley Conservation Authority has recommended that. Greenock township has concurred with that. If you don't want to expand it into the townships of Bruce, Kincardine and Saugeen, which incidentally would correspond with my riding boundaries, I suggest you at least expand it to Greenock township which would then give them the Greenock swamp.

The reeve of the village of Tiverton, who also handles the hunting licences and licences sold by your ministry, has indicated to me that the village would much prefer to be in the Wingham office, because the Owen Sound office is overworked and when they have a problem and need service they can get it from Wingham but not from Owen Sound.

That is not meant to be a slur on the good work of the Owen Sound office. They are just simply overworked, that's all there is to it. They don't have the people to do the job required to service the area the district encompasses.

I would appreciate a response to those points and I encourage the ministry to take another look at the situation. I suspect I've more or less convinced the minister, I don't know whether I've convinced Mr. Foster. That may be the key to the whole thing.

Hon. Mr. Auld: You are very persuasive, Murray. I can't say that I'm totally convinced but I'm always sympathetic, but perhaps Bill Foster, the assistant deputy minister, southern Ontario, would go into the detail of what is involved.

I know we have looked at it very carefully and I've had a number of discussions with Bill and with Norm Patrick who is the regional director in London. Bill was about to get started on Thursday when we adjourned upstairs. Perhaps you would like to come forward, Bill.

Mr. Foster: Mr. Chairman, Mr. Minister, I'd like to make a few general observations about the Wingham district and how we assess work load and staffing and how we try to determine the most suitable boundaries.

As part of a continuing program we have recently completed an analysis in the south-western region that looks at our various programs, the work load, and the organization that carries out those programs. From that analysis we have concluded that the Owen Sound district is really not overworked. It has an average work load compared to other districts in Ontario.

Chatham likewise has a good work load, but not excessive and those districts are staffed accordingly. From our assessment of the Wingham district, it has a lighter work load but it does have unutilized resources and the potential for developing a heavier work load within its present boundaries.

The districts have been set up with a number of criteria in mind. A couple of the most important ones are relating and respecting the integrity of county boundaries as much as possible, as well as conservation authority boundaries, so we analyse and co-ordinate our planning and management with these agencies. As the members know, for many, many years we have had a co-operative program with counties and of course we work with and support the activities of the conservation authorities.

The Wingham district was set up to service Huron and Perth counties and because of the location of Wingham at the north end, it seemed appropriate to take the lower tier of Bruce county and include it in the Wingham district. That creates a few problems in dealing with the counties from a standpoint of Owen Sound's jurisdiction and responsibilities. It would also further split the Saugeen Valley Conservation Authority between two districts, which doesn't really help our planning and administration.

In looking at how we might level off the work load, we can't really see how including three or four more townships by taking them from Owen Sound district would really significantly adjust the work load. Regarding the question of Tiverton and Greenock swamp, the Wingham district does provide some services in the lower part of the Owen Sound district conservation office's patrol. For example the fisheries patrol boat in Lake Huron working out of the Wingham district covers up to Southampton. I see no difficulty administratively serving the Tiverton licensing situation out of the Wingham office, but it would present problems if we fracture the Bruce county relationship any more than it

already is fractured. We are now in the process through a planning program in southern Ontario of developing resource plans and strategies that we will be discussing with the municipalities with the view of incorporating some of these policies within the official plans. As that work proceeds in the next year or two we might well continue to assess our needs for staffing and headquarters and organization in the southern part of the province.

Mr. Gaunt: Mr. Chairman, if I may respond to that, I want to make it abundantly clear I am not suggesting the ministry was wrong in setting the present boundaries. I am saying they were right at the time they were set, but changing circumstances have got to the point where a review of those boundaries is necessary.

I want to underline that: You were right when you originally set them up, but in terms of the county boundaries, one of the points that Mr. Foster has made is the Wingham district is already into Bruce county so I suggest any further excursion into Bruce county wouldn't be terribly disruptive in terms of violating county boundaries.

On the Saugeen Valley Conservation Authority and the fact that it might fracture their relationship, or at least divide their attention between two district offices, that may be so from your point of view although the Saugeen Valley Conservation Authority doesn't see it that way. They recommended at one of their annual meetings that the Wingham office assume responsibility for the Greenock swamp project.

As a matter of fact I think the Wingham office is more involved in the Greenock swamp study than any other district. I think they already have been deeply involved in it and it would seem to me that it would be a natural extension to give them full responsibility for that. On top of that the Saugeen Valley Conservation Authority would want it. They have asked that that be done.

Hon. Mr. Auld: I am curious about that, Murray. Did they give any particular reason? My experience has always been that most agencies would like to deal with one place because they know who they are dealing with and for the usual administrative convenience. I don't know a great deal about the swamp specifically, but I assume it is like other swamps.

Mr. Gaunt: Yes.

Hon. Mr. Auld: Swampy.

Mr. Gaunt: It is wet. That's right. But it is a pretty unique kind of wetland in that part of the country.

There is—I think, Mr. Foster, I am right in this—a fairly large involvement with the ministry in that particular natural resource. As I understand it—I don't have the resolution in front of me but it was passed at their annual meeting—they suggested that the management of the Greenock swamp forestry property should be switched from Owen Sound to Wingham. The suggestion at that time was that it was proving more costly for men and materials to be brought in from Owen Sound than it would be from Wingham, bearing in mind that Wingham is only 25 miles away and Owen Sound is 60 miles from the property.

I assume there is a cost-sharing arrangement between the Saugeen Valley Authority and the ministry. The ministry comes in to do work. I presume that there is some kind of cost-sharing arrangement involved there.

Hon. Mr. Auld: There wouldn't be any cost to the authority for our people going. We share their costs of development 50-50 but there is nothing to prevent them from getting people to do the work from wherever they get the best bid. We don't charge them anything for any of our people's time, do we, Bill?

Mr. Foster: We have a management agreement. Over a period of years there would be a balancing off of the books. If our costs were higher by operating out of Owen Sound, that may be reflected in the final resolution of the balance sheet.

Hon. Mr. Auld: We have some of our people doing the work at the swamp.

Mr. Foster: That's right. In the same way we do with the agreement in force in counties. There is really no difficulty in the Wingham office supplying the forestry management services in the Greenock swamp on behalf of the ministry. We are just a little concerned about changing the boundaries from the standpoint of planning and management in dealing officially with these agencies.

Mr. Gaunt: Maybe we are into a question of semantics then.

Mr. Foster: I think we are.

Mr. Gaunt: You don't need to change the boundaries. Just let Wingham assume the work load. Is that the solution to the matter?

Hon. Mr. Auld: It sounds like it is. We'll confirm it in writing.

Mr. Gaunt: Okay. Let's have a memorandum of understanding.

Hon. Mr. Auld: Yes.

Mr. Gaunt: We can go on that basis rather than on any change of boundaries. I think

from my standpoint the ministry is in a better position to assess that than I.

Mr. Foulds: You are too modest, Murray.

Mr. Gaunt: In terms of the work load, if Wingham were to assume the townships of Kincardine, Bruce and Saugeen, Owen Sound has a budget now of \$2,702,000. They have a permanent complement of about 69 and they operate five provincial parks. If Wingham was to assume the work in the townships I have mentioned, that would mean they would be assuming two additional provincial parks. I think that would alter the work load pattern there. Similarly that would mean a reduction in responsibilities in the Owen Sound office of two provincial parks. I would think that there would be a shift in the work load if that took place. Don't change the boundaries, just enter into some loose arrangement and shift the work load and I am happy. No problem. I am very easy to get along with.

Mr. Bolan: Sure he is.

Mr. Gaunt: That's the stuff.

Mr. Bolan: Sure he is. That's the Liberal way.

Hon. Mr. Auld: I'm not going to be drawn into that myself.

Mr. Bolan: You are wise.

Mr. Wildman: You will have another White River situation.

Mr. Gaunt: That is another matter. I don't want to get into that one. Will you take another look at that? I said to one of the people in a conversation surrounding another problem with which we are dealing, "I think I will raise the matter of the Wingham office," and they said, "Please don't—please don't."

But I feel there is a problem there and I hope the ministry can work it out. I think it would make for better delivery of service and that is what you are interested in. I know that is what you are interested in. If you can give better service in the field than you are giving now, it doesn't matter a darn about the boundaries. Just do it and we'll all be happy.

Dr. Reynolds: Mr. Chairman, could I just add a general word on the generality of this? I think Mr. Foster has explained quite well the rationale behind boundaries and, as you say, Mr. Gaunt, times change. We hope we change with them. Frankly it isn't always that easy when it means perhaps uprooting people to new locations; even the cost of moving employees is tremendously expensive, quite apart from the personal aspects of disrupting families and that sort of thing.

There are a lot of ups and downs in that activity.

The activity in the Greenock swamp will I think go on for quite a while and it is, as you say, a very important source for many watersheds. But we do have to make the rather informal adjustments you speak of in this one. Often boundaries of districts or regions even cannot be coterminous with timber licences or watersheds or a lot of natural or unnatural features. There is no prohibition at all in the organization of the ministry against making an arrangement between districts or regions, that district A will look after the responsibilities of district B with respect to some activity. There is some overlap.

[10:30]

Obviously, you can create some confusion if you get too much of this and you don't do it more than seems to be administratively and economically reasonable, but there are certain things Mr. Foster has suggested could be done quite readily by this, simply by an agreement between the two districts on the one hand and the conservation authority on the other, that for this project there would be some movement of people. There are no fences between districts; there are just lines on maps.

Hon. Mr. Auld: A few years ago, as people were decentralizing, the government tried to get the regions to have the same boundaries and districts. Management board, where I was at the time, was involved in that very deeply. It is a great idea until you really start looking below the top. The further down you get the less it works, because there are different responsibilities and different degrees of staffing required. Some kinds of operations can look after some very large areas because they don't have very many things in the responsibilities of that ministry and look after very small areas otherwise.

From the bureaucrat's peak it sounds wonderful. You just have one office building and you find all the provincial people there. They deal with everything. Everyone who lives in the same political subdivision, township, county, or whatever knows where to go for the same thing. But it just doesn't work that way. It would be ideal if we had all our boundaries coterminous with, say, county lines in southern Ontario and maybe districts in the north, but the rivers don't run that way, for one thing—the woods and so on.

Mr. Wildman: In that case, you wouldn't mind leaving White River in the northwestern region. You don't want to bring it into the northeastern region just so that it can be in line with the rest of Algoma?

Hon. Mr. Auld: I don't think I said that. There was one matter that we undertook to get some further information on for you, Jim, about fire crews. The information is this.

During the fire season the ministry employs 145 unit crews, consisting of five members per crew, but without a detailed and exhaustive search of unclassified personnel records an accurate, perfect figure on the number of personnel returning to unit crews wouldn't be possible to get during the time we have available.

The field staff estimate that between 65 and 70 per cent of seasonal staff on fire crews each year would have previously worked for the ministry in the same capacity. To date we haven't experienced any serious difficulty in filling fire-unit crew positions.

Mr. Foulds: Do you know offhand from your field staff estimate whether that has been fairly steady over the last few years, or is there in fact again a decline?

Hon. Mr. Auld: I have the impression that it hasn't changed significantly. Mr. Ringham, is it about the same over the years?

Mr. Ringham: There hasn't been much change. I am sorry, I didn't catch the question, Mr. Chairman.

Mr. Foulds: Basically, I asked whether there had been any change in that ratio of 65 and 70 per cent return in that over the last four or five years.

Mr. Ringham: I don't think so. Mr. Chairman, Mr. Minister, many of our unit fire-crew members are university students. When we have a very tough fire season we sometimes get a drop in the return numbers. However, there are others on the crews who enjoy a heavy fire season because of the overtime involved and they go back to school with a considerable sum of money in their pockets. But I would say over the last four or five years there hasn't been much change. We haven't had any trouble filling vacancies on any of the fire crews.

Mr. Foulds: Mr. Chairman, I beg your indulgence for this one further question, because it is probably on a specific vote and we might not have the information available right now. Do you have any idea what the ratio of native people is on fire crews?

Mr. Ringham: I wouldn't like to make a guess without going back into the records, although we don't keep it by—

Mr. Foulds: Yes.

Mr. Ringham: I would have to ask the field staff.

Mr. Foulds: Once again, I imagine it would be a pretty rough estimate, but I think that is all I am looking for at this stage.

Mr. Ringham: You are talking about on the unit crews?

Mr. Foulds: Yes.

Mr. Ringham: Of course, during our emergency fire-fighting activities, there are large numbers brought down from the north but they wouldn't be part of our regular crew.

Mr. Foulds: Perhaps you could have that information for when we get to that vote later on. Thanks very much.

Mr. Gaunt: Just to conclude, Mr. Chairman, I appreciate the minister's response and the deputy's response and Mr. Foster's response. When I originally made the proposal I suggested that perhaps the Wingham office could also be expanded a little to the south to even take in the Pinery Provincial Park. That does involve another county and so I am not prepared to push that. But I think you could expand to the north because you are already involved in Bruce county, in any event, and it would simply be a logical extension.

Whether the boundary is changed or not doesn't matter really, as long as the work load is evened out, because Wingham has one provincial park but Owen Sound has five provincial parks. I suggest that there could be an evening of the work load which, I underline again, I think would enhance the delivery in the field.

Hon. Mr. Auld: If we couldn't move the Pinery Provincial Park, Murray, could I get your key to the compound where the blue hearts are?

Mr. Gaunt: I don't want to go that far south. Stop at the Pinery.

Mr. Riddell: I would just like to say at the outset that I share the same concerns as my colleague, as the Wingham office covers part of the territory I represent. I think it takes in all of Huron. But I would agree with Murray Gaunt that it could include Grand Bend, which would mean then that the Pinery Provincial Park would come under the jurisdiction of the Wingham office. I am not going to rehash that because I know with Murray's 17 years of reasonableness around here that the minister will certainly pay heed to the advice Murray has given the minister and his staff. I am sure we will see some boundary changes, hopefully within the next year or so.

I don't wish to be disrespectful in bringing up this point, Mr. Chairman. I don't know whether the minister is listening or not, but in this period of restraint, and particularly when I consider that the children's aid society in Huron county was allowed an increase like 1.5 per cent this year, I

have to wonder just where the priorities are, and I have to question this \$5,200 for a parliamentary assistant.

It is my understanding that each parliamentary assistant also has an executive assistant. I don't know whether I am right there but I believe that is the case. Assuming that the executive assistants make in the neighbourhood of \$20,000 a year and the parliamentary assistant makes an additional \$5,200 over his indemnity, that amounts to somewhere in the neighbourhood of half a million dollars if there are 10 parliamentary assistants.

I don't know what the parliamentary assistants do. Maybe they are busy. I do know that one of the busiest ministries, as far as I am concerned, is the Ministry of Agriculture and Food, and I know that one of the former ministers, and a good friend of mine, Bill Stewart, carried on without a parliamentary assistant until I believe he came down with a heart attack.

Mr. Foulds: And you're really building up your case.

Mr. Riddell: That wasn't what brought on the heart attack. I don't intend to go into that, but I know he was able to carry on without a parliamentary assistant and I wonder how necessary are these parliamentary assistants and the executive assistants they have and whether that money couldn't be better spent to distribute to those areas where there is a real need. I am citing now children's aid societies and family and children's services and what have you.

Also in looking over these expenditures, I see that there's an extra day's pay here of \$5,100. Now what in the world could that be? I wouldn't mind getting a job where, if I put in an extra day, I could make \$5,100.

Mr. J. A. Taylor: You would be depriving the children's aid.

Mr. Riddell: Perhaps the minister could explain what that's all about.

Hon. Mr. Auld: The pay is every two weeks and that's every year. There are some adjustments. Doug Spry will explain it.

Mr. Spry: It's a merely a mechanical adjustment of one day. This particular year happens to include an extra day and because we work from a base, there has to be an adjustment to that base to take care of the extra day's pay. That's the only reason for it being in there. It isn't anybody getting an extra day's pay in the sense that they are getting more than they are entitled to or anything like that.

Hon. Mr. Auld: It would be \$5,100 less for next year if the staff stays exactly the same. The same thing happens when we get our cheques. You will notice some odd figures there and it's because while the statute says you are paid so much a year, it never comes out that way because of the paydays. It's just mechanical.

Going back to the question about the parliamentary assistants, first of all the parliamentary assistant to the Minister of Natural Resources doesn't have an executive assistant and I don't want to have him blush when I say how hard he works, but he does. He does primarily all the liaison with conservation authorities. He attends a lot of activities and meetings and functions on behalf of the minister because the minister can't be there. He is also a member of the northern Ontario transportation committee which meets frequently, aside from other duties that are assigned. We divide up a number of things so that the minister is represented by the parliamentary assistant if the minister can't be there.

Mr. Riddell: So these are duties as far as you are concerned you definitely could not fulfil because of your busy schedule and you actually rely on the parliamentary assistant.

Hon. Mr. Auld: I think liaison with the conservation authorities is the biggest single thing because there are a lot of them and a lot of meetings with individuals and with groups of authorities and there just aren't enough hours to be there. I get to some, I would say perhaps two out of 10. I think it's important that there be political representation with the authorities as well as staff representation because there's a lot of policy matters which the staff can listen to but can't really comment on.

Mr. Foulds: A lot of political matters too.

Hon. Mr. Auld: I am talking about small "p." Jim.

Mr. Foulds: So am I.

Mr. Riddell: I have one final question in connection with this particular vote. I am wondering if the ministry within the last few years has hired any consultants to carry out public opinion polls. If so, could we glean some information as to what these polls were all about and what the cost was of conducting these polls?

[10:45]

Hon. Mr. Auld: If you look at the return that was in the House not too long ago, there was one on the mining industry. Your research office got a copy. Unfortunately I guess they didn't notice it because we were asked

about it and I think I pointed out in the House it was available.

We didn't circularize to everybody. It was a technical sort of thing. I haven't got the information that we submitted in front of me but I don't know of any poll that we took that wasn't made public. I don't think we took very many others than the mining—

Dr. Reynolds: It's the only one that comes to my mind, but there was a return in response to a question on the Order Paper covering all of these. I would be glad to review that one and see if there are any other elements that might be helpful. I don't think there were any except this one which, as Mr. Auld said, was not only sent to the caucus research people who asked for it but it was tabled as part of the information in response to a question.

Hon. Mr. Auld: We do have questionnaires in the provincial parks for instance, asking people what they like and what they don't.

Mr. Foulds: That's not a formal public opinion survey which is done with the provincial parks. That's more a survey of the users.

Hon. Mr. Auld: Yes, "What did you like?" "What didn't you like?" A series of questions, sort of the same thing you might have in a hotel, or a resort or something like that.

Dr. Reynolds: We do quite a lot of that, Mr. Chairman; for example, on big-game hunts and that sort of thing. It's part of the conservation officers' job and anybody else in the ministry who is involved to seek people's opinions on successes and failures and aspirations and that sort of thing. But that sort of in-house thing carried out with staff is not, I don't think, what you are asking about. You are really asking what commissioned studies there are—is that the idea?

Mr. J. A. Taylor: Those studies that test the political waters.

Mr. Riddell: I think those are all the points I wanted to bring up at this time, Mr. Chairman.

Ms. Bryden: Mr. Chairman, I am sure the minister would be disappointed if I didn't raise the question of the position of women in his ministry.

Hon. Mr. Auld: Disappointed and surprised, Marion.

Ms. Bryden: Undoubtedly he is prepared to answer some questions on that subject.

Hon. Mr. Auld: Even better than that, Elizabeth Rhodes who knows all the answers is here.

Ms. Bryden: I would like to point out that the latest report I have on the status of women crown employees is 1977-78. I understand that your affirmative action program only started in August 1977 so it hadn't had very much time to operate. Certainly it shows not only very little progress but actually the reverse of progress as far as the percentage of women in the ministry goes: it had gone down from 18.7 in 1975 to 17.9 in 1978.

Mr. J. A. Taylor: That might reflect good judgement on the part of the women.

Hon. Mr. Auld: I don't know that I can accept that, Jim.

Ms. Bryden: And the percentage of women's average salary as a percentage of men's average salary had not changed at all between 1977 and 1978. It's 64.4 per cent compared to an overall percentage for the Ontario public service of 70.5 per cent. I realize you have a great many technical jobs in your ministry and there aren't always women with the training for these jobs. I still think that in some of the administrative services positions particularly, there could be greater numbers of women if a definite effort were made to bring them forward. The 1977-78 report showed that 15.7 per cent of the administrative services positions were occupied by women while 88.6 per cent of the ministry's female employees are found in the clerical and office services categories.

I would like to ask the minister whether he can report on what has happened since that report came out and also whether the comment in the section of the report dealing with the review of the ministry is still applicable. The comment was that the affirmative action program had been slowed down due to a shortage of funds. It says, "As managers had not budgeted for affirmative action and no additional moneys were available, some initiatives which required funding, such as financial assistance for training, field trips, et cetera, were not possible."

Has that shortage of funds been overcome to some extent; and are any of those activities necessary for the affirmative action program going on at the present time?

Hon. Mr. Auld: Marion, perhaps I could give you some of the data I have here. We might ask Elizabeth to expand on it if it isn't sufficient.

My figures indicate that women's representation increased by four per cent, from 17.9 in 1978 to 21.9 in 1979, which is a total of 970 women. The number of female resource management professionals more than doubled, from 19 in 1978 to 49 in 1979. The number

of female resource management technicians more than tripled; it was only four and it is now 15. Percentagewise, is is great, although it is not an awful lot of people. Resource management professionals and technicians make up more than half the total positions in Natural Resources.

You mentioned women's representation in the administrative field. My figures indicate—and perhaps Elizabeth can clarify this—women's representation in the administrative module also increased, from 6.7 per cent to 9.5 per cent. They are obviously talking about a different group of administrative people, because you mentioned 15—

Ms. Bryden: It was 15.7 per cent; and it's called administrative services. I don't know whether that is one of the modules.

Hon. Mr. Auld: Perhaps we can clarify that. In 1976 it was only 4.6 per cent. Sixty-three women, 31 from the classified staff and 32 from the contract staff, were either hired or promoted into positions no women had held in the past in that branch or district.

If you will look at the figures, there is one apparently negative result, the increase in the proportion of the ministry's women employees who were in secretarial and clerical positions. This was during the period when we were "regularizing"—if I can put it that way—a number of contract staff into permanent staff positions. These were women who were actually on the payroll but were transferred from casual or contract to permanent.

The gap between the average female and average male salary decreased slightly. In 1978 it was 61 per cent of the male salary, while in 1979 it was 62 per cent.

Ms. Bryden: There's still quite a gap.

Hon. Mr. Auld: But it is going in the right direction.

Ms. Bryden: Slowly.

Hon. Mr. Auld: To increase the numbers of the female secretarial and clerical staff moving into more senior positions, eight special courses for women were provided. This replies to the question about budget and so on that you raised. There were two women in management courses, three in career planning and three in assertiveness training.

In addition, two career information days were organized by field affirmative action committees. More than 80 women were involved in job rotation schemes and an additional 17 female clerical and secretarial employees had their positions restructured to provide increased opportunities. More than 50 women were counselled individually by the women's co-ordinator and her staff.

Women's share of training and development courses also increased from 21 per cent in 1978 to 27 per cent in 1979. That's actually a proportion larger than the women's share in the ministry's employment, which is just a shade under 22 per cent.

In outreach we continued our efforts to encourage students to consider resource management careers, which I hope will increase the number of qualified female professional and technical applicants. Seven hundred and eighty-eight 17-year-old women took part in the Junior Ranger program in 1979, an increase of 100 from the year before. We now have a film showing female and male employees performing typical resource-management tasks within the ministry and a pamphlet that is going to high school and college guidance departments.

Three sessions of a course on the best selection procedures were given to ministry managers to ensure equal treatment of male and female applicants. Then I have a lot of statistical breakdowns in the various modules: administrative, clerical, operations, professional, technical, administrative services, senior executive, clerical, general operating, maintenance, office services, science and professional, and technical. I can send you a copy if you would like to have it.

Ms. Bryden: Yes. I would like to have it, Mr. Minister.

In your current estimates, is each manager budgeting for affirmative action as part of his management funds?

Hon. Mr. Auld: I would say that each district and region would be. That would be as a result of the budgets of the managers within each region, district, or branch. So I guess the answer is yes.

Ms. Bryden: Which apparently was not happening back in 1977-78. I am very glad to know that some progress is being made, although it is still fairly slow.

Mr. Foulds: Excuse me for a minute, Marion. If you are going to make some substantial progress in the ministry, you are going to have to encourage universities to develop programs so that women are encouraged to take forestry courses, for example. I know that phenomenon is increasing, because I give a lecture annually to the Lakehead University graduating class. I notice there are five or six women in the class.

I don't think you can do that on a district or regional basis. That encouragement has to come centrally.

Hon. Mr. Auld: We have a very competent woman who has her master's in forestry

and who is doing a good deal of research on seeds. I think she is from the University of Toronto. She has been with us about 10 years. I think she worked for us in the summer during her university course.

There are more women going into those courses, but they are still a small proportion of the total enrolment. I think people are aware of the affirmative action program of the province. I have heard it said women probably have a better chance, if they are equally qualified, because we are looking for women in these technical and professional fields.

Ms. Bryden: I have another matter I want to raise, Mr. Minister.

Hon. Mr. Auld: Here is something interesting. I have just been handed a list of what you might call non-traditional positions of women. There are 12 biologists as well as senior administrative supervisors, financial officers, foresters, resource technicians, timber technicians, general technicians, forest technicians, assistant land supervisors, scale readers, nursery technicians—that of course is a tree nursery.

[11:00]

Ms. Bryden: The other matter I wanted to raise is the question of policy. That's why it should come up under this first vote. It relates to the ministry's fulfilment of its responsibility for environmental assessment on its own projects or on projects that come under the ministry's jurisdiction, such as pits and quarries. I'm not bringing it up under mining development because it's the principle that I want to discuss more than particular instances.

The Ministry of the Environment, as we all know, is supposed to be responsible for environmental assessment under the Environmental Assessment Act of this province. We are supposed to have environmental assessments on all projects that are undertaken in the province, either new or extensions. The minister has in his wisdom, exempted from that act a very large number of projects; in fact so many some of us think the act is one of the most unused pieces of legislation on the books.

With regard to the Ministry of Natural Resources he has exempted "upgrading facilities for provincial parks," which is a very vague phrase I may say. It could cover almost everything from roads to work on streams, building fish ponds, building camp sites, planting trees—almost everything. Since the Minister of the Environment (Mr. Parrott) has delegated this authority—I would say he has abdicated his authority—to the Minister of

Natural Resources, you have a responsibility to ensure that proper environmental assessments are done before any work is undertaken by your ministry, either in provincial parks or in any other area under your jurisdiction, such as licensing of pits and quarries.

I don't see anything equivalent in your ministry to the environmental assessment process envisaged under the Environmental Assessment Act. There is no provision for publication of your environmental assessment studies if you make them and there is no provision for the public to see these studies and to comment on them and to have any public hearings when there appears to be sufficient public concern. If, under government policy, you are going to have this responsibility, which I really think should be back in the Ministry of the Environment, you should develop a system of environmental assessment that would be more responsive to public needs for being consulted and involved and to know on what basis you are making your decisions.

I would like to refer to two examples. One is the Ipperwash park decision to put in a road which some local citizens group and horticultural groups claim is destroying a wet meadow which contains some very valuable—

Hon. Mr. Auld: Blue hearts.

Mr. Bryden: Blue hearts, yes, which they consider an endangered species.

What bothers me is when these citizens groups ask to have their point of view considered as to whether the blue hearts would be destroyed, they spoke to the officials of the ministry office in Chatham. They were told, according to their statement, "It is a recreational park and not for wildlife and we needed to put in a new road." The parks superintendent also told one of the concerned citizens that he is not knowledgeable about wildlife and that his main concern was the recreational aspect of Ipperwash park.

If the ministry officials have strictly a recreational viewpoint and not an environmental viewpoint as well, obviously the ministry is not fulfilling its responsibility for proper environmental assessment. I think this is the problem; the local people do not feel that this road had a proper assessment. There seems to be considerable debate as to where the road actually encroached on the wet meadow and whether it did or did not destroy the bulk of this blue hearts stand.

Hon. Mr. Auld: I don't think there's any doubt about the last point now.

Ms. Bryden: They will admit there are still some blue hearts left but one of the major areas where they had been growing was destroyed.

Hon. Mr. Auld: This picture is of blue hearts in the same area where they were growing last year and the one they were concerned about.

Ms. Bryden: Yes.

Hon. Mr. Auld: I'm sorry, I shouldn't interrupt.

Ms. Bryden: I guess what the local citizens would like is to have the road removed. That may be asking quite a lot, although they do point out that in Pinery park the ministry did remove a road and a campsite where there was a second stand of blue hearts. There are only two in the province, I understand.

Ho. Mr. Auld: That's the one with the chain-link fence around it.

Ms. Bryden: Right.

Hon. Mr. Auld: It's about a couple of acres, too.

Ms. Bryden: In view of the controversy about this it seems to me what might be done is that the ministry might undertake an independent ecological review of the situation in that park to see what the actual effect of this road has been and whether these endangered species are being sustained. If you destroy a wet meadow that is supporting unique flora and fauna, the very least that can be done is to try and find a replacement wet meadow somewhere else and develop that.

Since we don't really know enough about the area—at least I don't—and the effect of the road and whether there has been very serious damage done, I would suggest the ministry consider getting an independent ecological study of the effects. I think that might make the concerned citizens feel you do have some real concern for the environment in this situation. I would like the minister to comment on that.

I would like to mention my second case and then he can comment on both of them. That is the Oriskany sandstone site of a gravel pit licence for King Paving Limited in a unique biological and geological area. Again the local citizens, particularly Professor Diane Fahselt of the University of Western Ontario, feel that the licensing of this quarry was done without sufficient environment assessment of the unique area it was going to be placed in.

King Paving Limited has offered an environmental protection area as a substitute for the area the citizens felt was being destroyed, but they are not satisfied this is a

suitable equivalent and that it covers the same flora and fauna and unique geological formations as in that area. They also complain that they have been denied access to parts of the site that had been granted to the quarry operators, even though there is no quarrying being carried on in there. All they are allowed access to is this environmental protection area. There are still areas left where they would like to continue to monitor the unique features to which they don't seem to be allowed access.

Their main complaint is that before this licence was granted there should have been an environmental assessment. The procedure seems to be that the Ministry of Natural Resources is expected to either conduct its own assessment procedures or call on the Ministry of the Environment for assistance. We never find out really whether the two ministries do actually assess the area because nothing is published and there are no public hearings.

In connection with that Oriskany sandstone, I would like to ask the minister if he would table any environmental assessment studies that were made of the area before the licence was granted and also if he would table any assessment that was done on the Ipperwash park road before it was built so we can find out exactly what kind of environmental assessment you are carrying out. You have to be very conscious of the fact that people may feel there is a conflict of interest between the ministry's objectives of developing aggregates and the ministry's objectives of developing parks and the protection of the environment.

As long as the government delegates to you the authority to do your own environmental assessments in these areas, we would like to know exactly what kind of assessment you made. That's why we would like to see the documents. We would like you to consider opening up the process of carrying out environmental assessments on pits and quarries and on parks to the public to allow for public examination of your plans, public comments and, if there is a great number involved, public hearings.

Hon. Mr. Auld: As far as the provincial parks are concerned, prior to the time of the passing of the environmental assessment legislation Natural Resources has had a program of developing a plan for a park, sometimes in stages, which is a public document and which is made public once the planning has been completed. There is a parks council which deals with public hearings about parks and so on from time to time.

We only have 128 parks and we have about 28 plans which are now public which cover the development of parks, even though all the things in them may not have been completed if there have been financial restraints and so on. In every individual park there is public participation. Meetings are held in the area. The draft plan is made public and we ask for comments on it.

In a sense we have been doing many of the things that are involved in what are now called environmental assessments, before that was the plan. Ray Riley is here; he is director of the land use co-ordination branch. I will ask him to expand a bit on this.

We are working with the Ministry of the Environment and I think we may have finally worked out a class assessment arrangement. In other words, in our administrative procedures for producing these plans we will do some things which specifically tie in with the Environmental Assessment Act. I believe we will then be in technical conformity, where we might not have been with our old scheme. But there has been a great deal of public input.

[11:15]

One of the difficulties, of course, is where does it end? If we are going to have to have a separate environmental assessment every time we expand the facilities and put in another set of washrooms, it becomes an administrative nightmare and a very costly and wasteful process. Our plans are developed but, as I said, they may not be completed. They may not be completed for park A for another 10 years.

Getting to the two specific points: First of all, pits and quarries are not required to have environmental assessments because they are not government projects. They are private projects which are in this case licensed by the ministry. However, in the case you mentioned in the Niagara Peninsula—and I have visited that site—there is a very large area which we have not licensed. The company owns it but it has been removed from their application for the licence for that pit.

I wouldn't speculate on the cost to them because the deposits are there and they had anticipated when they acquired the property it would be part of the pit.

Would it be 10 or 15 acres?

Dr. Reynolds: It is more than that.

Hon. Mr. Auld: Forty acres, and it is a corner; it is fenced off. It is available for naturalists and so on, if they want to go in, but the public can't just walk in because of the concern of the naturalists for some of the things that are there. The company has been

most co-operative and has made a pretty large financial contribution in the process.

The wet meadow at Ipperwash beach was brought to my attention in the House last year, but prior to that time the park planners were aware of it. We had to change the entrance to the beach. If you are familiar with that area you know the park is mainly the beach. Some of that beach a little bit to the south or the west is still privately occupied, so we are only using the eastern portion.

I have forgotten the figures, but an awful lot of people go there on the weekends. We were having problems because the only entrance to the parking lot and the beach was across the back of the beach, between the beach and the parking lot and the change houses and other facilities. We were concerned both about traffic and pedestrian safety.

There are two wet meadows there. A very careful study was done, and we took a ridge, a sand ridge I guess it is, and moved the road back to there between these two areas. I happened to be there one day when a naturalist or a person who was interested in this sort of thing was there and we had a discussion as a matter of fact about whether the road was in the right place.

We had done a study here as to the best location and we had a naturalist study completed last summer. The important thing is a county road has been there for 20 years on its west, or south, a little closer to the wet meadow than where we put the intersecting road. The other day in the House I sent Mr. Gaunt a photograph of the blue hearts that are growing there. It would appear that the care we took in relocating the road avoided the problems the naturalists were concerned about.

We are careful. In the Pinery, as I said, we set aside a large area and fenced it after we were approached by the naturalists. They were afraid people walking back and forth from some of the camping or parking areas would take short cuts and walk through it. That fence is locked but those with an interest who want to go in and take photographs can go to the park office and gain admittance.

If that doesn't cover the questions you have asked and you would like more details Ray Riley can explain the process we go through once we have acquired a property. We still have a number of park reserves which have no development plan or proposed development date. What we are trying to do is complete our existing parks with the money we have available before we develop further ones.

Ms. Bryden: I think the process would be visible if you would table any environmental studies made prior to the building of that road.

Hon. Mr. Auld: Technically, I don't think they could be called environmental studies. They were studies to see where we could build a road that wouldn't interfere with that meadow. But if we did an environmental study we might still be at it; and we might have had a few traffic casualties there last summer if we had not moved the road.

Ms. Bryden: Would you consider having an ecological study on the effects of the road, to see whether any further measures should be taken to protect the endangered species?

Hon. Mr. Auld: We had a couple of, not horticulturalists but flower experts there last summer at Ipperwash, didn't we? You would know, Mr. Foster. It was somebody from the district.

Mr. Foster: There was a contract botanist on staff at the park last year monitoring and studying the plants in the wet meadow. That monitoring will continue. As a result of that monitoring, we found out that the blue hearts were surviving quite well and that the road had no apparent effect up to this point in time.

Ms. Bryden: Do you have any document showing a study of this area before the road was built, an environmental assessment for example?

Mr. Riley: In 1975, when the act was proclaimed, it was necessary for all government agencies to get exemptions from the act so they could carry on their jobs at that particular time. There had been no preparatory work, prior to the act's introduction, to give us the necessary background to carry on.

As a result, several exemptions were granted by order in council. One of these covered provincial parks in the area of upgrading. We have not been able up to this point to get our environmental assessment of the parks process suitable enough so that the Ministry of the Environment will agree with us as to where we are going. Between the two ministries we are still struggling on that one.

We hope to resolve it some time within the next few months. I would suggest that until that is resolved we won't be in a position to carry on environmental assessments of the parks planning process or the site development process therein. It was under that particular exemption order that the staff in the field, seeing they were the proponents of the particular proposal, felt they could carry on and put the road in.

Ms. Bryden: The granting of the exemption does not exempt the ministry from an environmental assessment. It merely says that the environmental assessment will be carried out by the proponent, which happens to be the ministry in this case.

Mr. Riley: No. The exemption order would give us a specific time in which to carry on actions within the park, or wherever it happened to be—it could be on a dam, dike, or access route construction. It allows us some time to get our act together within the ministry, get an environmental assessment out to the Ministry of the Environment and to the public for their scrutiny. It would then come back to us through a hearing process—if indeed some members of the public decide a public hearing is necessary—or it would go through the final process within the act and be declared a satisfactory assessment by the Ministry of the Environment.

Ms. Bryden: So you are planning that procedure for the future?

Mr. Riley: Yes. At the present time we have 12 or 13 class environmental assessments under way in various stages of process. Five of them have gone through the Ministry of the Environment and have been circulated among the government ministries. They have since come back to us with a lot of comments, I might add, and we have revised them. They are in the process of going back to the Minister of the Environment within the next couple of months. In fact, I think one has already gone over.

You will see announcements through whatever medium the Ministry of the Environment takes to the effect that these are available to the public for scrutiny. This is a normal process within the bounds of the act by which the public gets involved in our assessments, the Ministry of Transportation and Communications' assessments and those of all the other government ministries.

Ms. Bryden: If this procedure had been followed in the case of the road in Ipperwash there might not have been as much concern about it.

Mr. Minister, going on to the pits and quarries, the only reason they are not subject to environmental assessment is, as you say, no private operations are subject to the act except on designation by the minister. However, here again when the government has taken a large area out from under the act it has passed on the responsibility for environmental assessment to whatever ministry is looking after those projects—either your own ministry in the case of pits and quarries, or

Industry and Tourism in the case of other private activities.

Once again you have a responsibility to see that there is some sort of open environmental assessment in lieu of subjecting those operations to the Environmental Assessment Act, if this province is really committed to environmental assessment.

Hon. Mr. Auld: My understanding of the act is there is provision for the government—the Minister of the Environment, actually—to designate a private project as one which would require environmental assessment. The provision was pretty clearly stated as one which, at the time the act was passed and for the immediate future anyway, would be used sparingly and would deal with very large projects, such as Nanticoke for instance.

I wouldn't be prepared to say today I would recommend to the Minister of the Environment that there be an environmental assessment of every pit and quarry, particularly wayside pits and quarries which are sort of open and closed for municipal and provincial use for highway construction and so on. Inasmuch as there are presently environmental assessments being done to a degree for new highway planning, I think we might have some complications.

[11:30]

On the other hand, once we have worked out a system which is efficient and effective, as I recall the statement at the time the act was passed—in fact, I recall making similar statements when I was in the Ministry of the Environment some time before that—the plan was first to apply this to provincial projects when we had ironed the bugs out of it and we have not quite done that yet. The next step would be to apply it to other provincial projects, municipal projects and so on. Further down the line it would apply to a degree to private projects.

If there were a very major quarry operation I suppose we might consider that today, in 1979 and 1980. But I wouldn't want to make a commitment at the moment that we were going to do it to all of them yet.

Ms. Bryden: What you're saying is that pits and quarries will not be subject to environmental assessment in this province, unless they are extremely major. Yet every one of them has a great effect on the surrounding environment.

Hon. Mr. Auld: As you know, in designated areas there is a process now where there is public input and discussion and so on. Perhaps there will be some expansion of that, once we get the amendments to the act completed.

As far as a full-fledged environmental assessment is concerned, I would have to say today that I would not recommend that for every pit and quarry in the immediate future.

Ms. Bryden: Then I think all we can conclude is that this government is not committed to environmental assessment and that large areas are exempted under the Environmental Assessment Act and that your ministry is not taking it over in the case of pits and quarries—

Hon. Mr. Auld: I would say not included rather than exempt.

Ms. Bryden: They haven't been designated, if that's what you mean.

Mr. Bolan: I have several items to deal with here, Mr. Minister. I hope I'm under the right vote. If I'm not I'm sure the chairman will bring me in order.

I would like to know what information service your ministry is providing to potential tourists outside Ontario. I realize this probably has to be done in conjunction with the Ministry of Industry and Tourism. However, my concern arises from the fact that my particular area is, as you know, a heavy summer resort operators' area. In the winter many of these operators go around to the various sportsmen's shows in the United States, particularly in the heavy tourist areas, or the potential tourist areas, the states of Ohio and New York. These people were telling me that they were actually appalled that in many instances there was no representation at all by the government of Ontario in selling what we have as far as our fisheries and our game are concerned.

They were particularly annoyed about one situation which arose in at least four or five sports shows. They would set up their own public information booths and people would come to them and say, "We'd like to go to Ontario this year but with the increase in non-resident angling fees to \$35 if you have a family of three or four you can't afford it."

Somehow it leaked out to many of the radio stations down there that there was a licence fee increase in Ontario to \$35. There was nobody there to refute that.

Conversely, the province of Quebec, for example, was there in full regalia—signs, flags, the works. Here we are, one of the largest tourist oriented provinces in Canada or so we should be, not able to sell our wares effectively. These tourist operators have to rely on their guile and business acumen to drum up business.

I would like to know what service the ministry is providing to sell non-residents

who would be attracted to this province. Just what do we have, whether or not it's a matter which, as I said earlier, you co-ordinate with the Ministry of Industry and Tourism? Can you get to the Ministry of Industry and Tourism and tell them to smarten up as far as getting representation to these various shows is concerned?

I'm convinced that with the devalued dollar and a better supply of gasoline in this province than many of the states have it's a natural. We're missing the boat. We could be attracting hundreds of millions of dollars more than we're attracting right now. It is certainly a great concern to me and I see no reason why the Ministry of Natural Resources should not be able to put on a more effective advertising campaign as to just what we have to offer here, even if you have to hire somebody down there; I don't know how it's done. I'd like to hear your comments on that.

Hon. Mr. Auld: The Ministry of Industry and Tourism does the major effort in tourist promotion both in Ontario and Canada and outside in North America and Europe. We supply the material for the fish and game part of their promotion. They have programs of subsidy to the area tourist councils. They appear on behalf of Ontario themselves in some areas.

When I was involved we used to go to Chicago, Minneapolis, Kansas City, Detroit occasionally, Cleveland, Philadelphia, a number of places, generally with what were then regional tourist councils or in some cases just operators, depending on how active the council was. I shouldn't really get into this in detail because it's the Ministry of Industry and Tourism now and a number of these things have changed.

I know they still have a co-operative program with the area tourist councils for promotion. It varies, depending on the judgement of the area tourist council as to what is the best use of their promotional dollars and their staff. We provide material to them for distribution, to reply to inquiries about fishing and hunting.

As far as northern Ontario tourist outfitters are concerned, we supply some of our staff to attend at tourist trade shows with them, generally when Northern Affairs is able to help us with travel expenses and that sort of thing. But we are not ourselves responsible for nor do we have the budget for representing the province. In fact we shouldn't be because that's Industry and Tourism's job.

Mr. Bolan: No, but what you should be doing is ensuring that Industry and Tourism is in fact doing the job.

Hon. Mr. Auld: On that question about the incorrect rumour about the fishing licence, we sent out a good many releases to try and correct that. We had the same problem here, as a matter of fact.

Actually, it was made very clear. I remember bringing it up at the Northern Ontario Tourist Outfitters Association meeting last year. Exactly the same words were in my speech to the anglers and hunters that Bill Foster made for me in London when I had the 'flu, but somehow or other it didn't get reported that way. We spent some time and effort ourselves getting in touch with the media on the other side and our own media to correct this. We produced several releases.

Certainly I am interested as a member and the member for Leeds in the Ministry of Industry and Tourism doing a good job because the tourist industry is important to us too. There is close co-operation between the Ministry of Natural Resources and the Ministry of Industry and Tourism in exchange of information and so on. If you feel more should be done, the fellow to talk to would be the Minister of Industry and Tourism (Mr. Grossman) in his estimates.

Mr. Bolan: I disagree with you on that. I am going to provide you with a list of the various shows which these people attended last year, as well as a list of shows they will be attending this year. It is fine to say that the Ministry of Industry and Tourism is responsible for it, but it still is the Ministry of Natural Resources which should be co-ordinating the effort and providing the type of material which should effectively be brought to the attention of the people.

You have a cabinet colleague there and to me it is a hell of a lot more persuasive if you get to him rather than me. You meet the guy every day.

Hon. Mr. Auld: Maybe it would be more effective if we both get to him.

Mr. Bolan: Maybe we should. I am going to provide you with a list of all these places. You will be surprised at what some of the other provinces have done in the same shows at the same places. I will provide you with that information and then perhaps we could both speak to Mr. Grossman and find out what is going on, because apparently the message is not getting across.

Hon. Mr. Auld: I would love to debate it with you but not at this time. That's the trouble when you have been in another

ministry, there is a great temptation to take it on again, but I won't.

Mr. Bolan: All I am saying is I am certain, with the large staff you have, you can get somebody to co-ordinate the information which you can provide to the Ministry of Industry and Tourism and make sure it gets across.

Under the heading of legal services, I would like to find out what the status is of the Indian land caution in Timagami. I am not asking for your position on it or anything like that, but where are we as far as the court case is concerned? It has been dragging on for about three or four years. It has been kicked around from one court to another. Where are we? Have pretrials been held? Have examinations for discovery been held? When are the trial dates? What is going on?

Hon. Mr. Auld: It seems to me, according to the last report I had, there was a delay on their part, then they were ready; they brought forward some more information which caused us a delay and this is some for more of the examination for discovery. It is now set down for January, I think.

Mr. Bolan: Is that for trial or is that a continuation of pretrial or examination for discovery?

Hon. Mr. Auld: I think that is examination for discovery. I wish you would ask me what *amicus curiae* is.

Mr. Bolan: Friend of the court.

Hon. Mr. Auld: I found that out this morning and I was hoping someone would ask me that.

Mr. Bolan: In any event, what you are telling me is that you are still in the discovery stages, for whatever reason. Is that right?

Hon. Mr. Auld: As you know, the native people added another 20 townships.

[11:45]

Mr. Bolan: On the same question, there's a caution that's on there, which means that someone is claiming an interest in that land. If the court should hold that they do have an interest in that land—it's a court case and that's one of the decisions which the court could come down with—what justification does your ministry have for granting timber licences now on that land?

You may run into the situation where they are entitled to the land, but then the trees have been cut; it does not have the same value as it had when the caution went on. You have put on a freeze as far as the

development of mining claims is concerned, which I think is reasonable and fair.

I realize that we are dealing with the economics of an area. I realize that the mill there—Milne is the name of the mill—is substantially affected by it and that it does offer something quite substantive to the community. But I would like to know if your ministry has any contingency funds or contingency plans to deal with the actual liquidated damages which may flow to the native people as a result of the deterioration of or a loss of the value of their land in the event that the courts should hold that they do have a proprietary interest in the land.

Hon. Mr. Auld: Mr. Bolan, I wouldn't speculate on it. I really don't know what kind of a decision the courts might make. Now, it might not be a cut and dried thing, I understand, but all I can say is that we will have to deal with that if and when it arises which from the way things seem to have been going is not likely to be tomorrow.

Mr. Bolan: On the one hand, as I say, you have put a freeze on the development of land claims, but yet not on the licensing of timber cuts. How can you justify one against the other? I realize trees grow again, supposedly, but that again is questionable.

Hon. Mr. Auld: I guess the freeze was put on staking too, although some areas were staked before the original caution.

Mr. Bolan: Yes, but you put a general freeze on all mining claims or on all future staking.

Hon. Mr. Auld: Yes. Some of the area is staked, but there has been no development.

Mr. Bolan: That's right. If you do have an area which is staked, are you allowing development?

Hon. Mr. Auld: No.

Mr. Bolan: What about in the Sherman mine area?

Dr. Reynolds: Mr. Chairman, perhaps I might add a word and clarify it further. The confusion is very great, of course, on the part of all of us, I think.

There is no staking going on. In other words, there is no new activity and we will have to deal with that problem that was mentioned about the townships which were added to the area and our not having known about that when we should. But that's somewhat involved and we'll have to work our way through that one.

An effort has been made not to inhibit activity already in progress. In the Sherman mine, for example, not to allow them to pro-

ceed would be close to it. Not to permit timbering operations would be to close mills and that sort of thing.

As you say, there is a little inconsistency perhaps in that some things go on and others don't. But that's been the general philosophy. We would stop new activities but not put a freeze on things already in place and committed and where people's livelihoods depended on that sort of thing. Those already there and already in operation would function.

As you also know, there have already been some adjustments made in order to assist some particularly acute difficulties like the housing project on the mine site. Those have been permitted. Where real hardship was obvious and adjustments needed, some concessions have been made.

We are in agreement with the Indians. We are not unreasonable in this, but the process is slow and tedious and exasperating. Nevertheless I don't see any shortcuts for it.

Mr. Bolan: What are you doing to assist the home owner who had a mortgage on his property before the caution was put on? The caution was put on since, which means that no mortgagee is going to put on another mortgage as there is a cloud on the title. What is the ministry doing to help this home owner? Let's say the five-year term on his mortgage is up, you have this caution on and the mortgagee will not renew, and rightfully so—why should they put on another mortgage or extend the existing mortgage when there is a cloud on the title that comes on after?

Hon. Mr. Auld: He's out of luck. There is a school of thought that says the crown might be in difficulty either way. If we had stopped development and it turns out that the claim is not recognized, there are those who say we might have harmed people by not permitting them to do the things they wanted to, so it's not an easy question. In that specific case my understanding is that we have not offered any assistance because we would be opening quite a door.

Mr. Bolan: I suppose this would come under the heading of legal services, but what is the ministry's policy with respect to confiscation of equipment rising out of charges laid under the various acts which you administer? I am thinking of the person who shoots a moose out of season or is caught with fish in excess of the limit. I know at one time there was a policy to take everything. What is the policy now?

Hon. Mr. Auld: The minister has the authority to seize equipment used when there has been a conviction registered under the

game and fish laws. It really is a matter of judgement as to whether the equipment is returned, confiscated and sold at auction, or returned with a charge—returned providing the original owner pays so much.

Mr. Bolan: You mean in addition to the fine? In addition to whatever monetary penalty he is required to pay there is also an additional monetary sum you can pick up?

Hon. Mr. Auld: There could be. There could be a monetary loss. Actually, in addition to any other penalty the crown is able, just as the federal crown is in terms of customs things, to confiscate the vehicle, the fishing rod, the shotgun, or rifle.

Mr. Foulds: Aeroplane?

Hon. Mr. Auld: Yes, aeroplane.

Mr. Bolan: Who makes that decision and at what level? Let's say somebody up in North Bay is caught with a moose out of season and they've confiscated his car and his gun, whatever the case may be. At what level is the discretion made?

Hon. Mr. Auld: The minister is the one who signs the piece of paper finally.

Mr. Bolan: So it has to go to the minister. It's not something which is left up to the individual district office, is that right? Is this only done after a conviction has been registered, or are you allowed to confiscate even though no conviction was registered?

Hon. Mr. Auld: There is authority to seize at the time the charge is laid, but there is no disposition until the charge has been disposed of.

Mr. Foulds: I think I raised a question with you in the spring as to charges over illegal use of aircraft for hunting moose in north-western Ontario. The case was heard in Dryden. There had been confiscation of two planes, I think, in two different cases. What has been the final resolution of that, or has there been a final resolution?

Hon. Mr. Auld: There hasn't been a final resolution. One of those charged was convicted and that person was fined \$1,000; I have indicated to the owner that the aircraft would be returned to him on payment of \$5,000.

In the other one notice of appeal has been filed and we still have the aircraft. That's a Beaver aircraft.

Mr. Foulds: Just in that regard, as you know, over the last couple of years there have been estimates by ministry officials that illegal use of aircraft is really escalating. It may have an adverse effect on the moose herd.

Hon. Mr. Auld: There was a reported comment of one of our staff. I don't think the rest of the staff would agree, or even that individual who cited the figure of 70 per cent. We don't think it's quite that high.

But there is no doubt about it; it is very difficult, as you know, as people are flying around on their normal business. If somebody sees a moose, how do you know whether or not he called somebody and said, "Go to such and such a place"?

Mr. Foulds: The point I want to make is, is this use of your discretionary authority in terms of confiscation of an aircraft, with the economic loss that entails to the owner, and subsequent demand for compensation before the release of the aircraft if the conviction is upheld, does that indicate a toughening on the part of the ministry in order to cut down on what is a real problem, that is the illegal use of aircraft, particularly in moose and deer hunting?

Hon. Mr. Auld: I would put it a different way. The ministry mounted quite an effort to deal with the illegal killing of moose and we achieved a couple of convictions. I don't think we ever expected to have 80 people in court.

That program started before I came to the ministry, but I think it's fair to say the ministry has been concerned about the degree of illegal hunting and we put an extra effort into the exercise.

[12:00]

Mr. Foulds: Presumably one of the techniques the ministry uses, because you know you cannot catch everybody—that's assumed; everyone knows that—is the old theory of the example. Certainly if you do act within the jurisdiction you have, I believe rightly, to make it less profitable for a commercial plane operator or even a private plane operator to operate that plane illegally, that will certainly have a ripple effect I would think right across the northwest even if the problem is half as grave as it was reported in that article.

Hon. Mr. Auld: I won't answer you directly. It seems to me that the purpose of law enforcement is twofold. One is to punish the offender if the offender has been guilty. The other is to dissuade others from doing the same thing. I think that applies to all law enforcement.

There are sometimes comments that the law is being enforced insufficiently or the courts are being too lenient. There are sometimes comments that they are being too severe and that changes from time to

time too, but I don't think the theory of law enforcement has changed.

Mr. Foulds: I will just leave it at the moment.

Mr. Bolan: On the item of financial services, is there a policy of phasing out certain positions in the forestry field? I am thinking of employees who do assessments and evaluation of timber. Is there a policy to phase out people who are employed by the ministry and to replace those persons with others on a contractual basis?

Suppose you want to find out how many board feet of timber you have in an area or the species or whatever; what is your policy on that? How does that come into play?

We hear so many things through the rumour mill. For example, we hear in my area they are doing this on a contractual basis, on a six-month contract or a year's contract. The person doesn't know whether he's coming or going. He's hired for at least eight months. He's doing a good job. He doesn't know whether he's going to have an extension of his contract. What's going on in that respect?

Hon. Mr. Auld: We do inventories. The Reed inventory for instance is one that comes to mind immediately which is done by contract. It was done as an aerial exercise with some checks on the ground. I am not competent to explain the system, but we have our own staff who do checking. When we are doing major projects of the once-every-20-years kind if we had staff available we would use them, but the chances are, particularly for aerial surveys, we would do them by contract. That one is not in this vote. If you want to pursue it further though, Al Peacock is here. Is there any other information you need on it?

Mr. Bolan: No, not right now. I will pursue it on the other vote.

One final area—again, you hear so many things through the rumour mill. Are there any plans for any shifting of personnel from the North Bay district office; are there any plans for adding or deleting or anything like that?

Hon. Mr. Auld: I am not aware of any major changes. Mr. Ringham, are there any?

Mr. Ringham: I know of no major changes in staffing, if that is what you are referring to, sir. We have plans afoot and have had some engineering drawings done to enlarge the Trout Lake headquarters.

Mr. Bolan: That's what I am getting at.

Mr. Ringham: If we go ahead and we are fortunate enough to get the funds it

would be merely shifting the office from the present leased quarters out to Trout Lake.

Mr. Bolan: I see. So it's not an expansion of any particular service but rather a shifting. Just what stage is that at in terms of planning, and so on?

Mr. Ringham: I am sorry, I couldn't give you where it is on the MGS capital list right now—what priority it has. It's on the list.

Hon. Mr. Auld: It's a long list?

Mr. Ringham: Yes, it's a long list.

Mr. Bolan: Thanks. I am finished at this time.

Mr. Foulds: Mr. Chairman, I have one question before we move on to the next vote. What is the relationship between personnel services and field administration? I ask in that I note in the personnel services description it would appear that personnel services has the job of setting the criteria for jobs, for training and for co-ordinating ministry safety programs. Surely the field officers would have enormous discretion in that.

Hon. Mr. Auld: Some years ago the drawing up of job descriptions, which had been entirely in the Civil Service Commission, was put back out to the ministry, subject to certain guidelines of the commission and going within the classifications established by the commission. It's done in the ministry and it's done at main office with feedback back and forth to the field.

I can't tell you the actual day to day mechanics of it—perhaps Doug Spry can expand on that.

Mr. Spry: Mr. Chairman, decentralization from the commission was really extended to decentralize from the ministry head office to the field offices. In fact quite a few of the functions are being exercised by the regional personnel offices under delegated authority from our personnel branch in Toronto.

The safety unit is a little unit all by itself and consists of one person and a secretary. The function there is to co-ordinate the safety efforts—basically in the field offices but I suppose to some extent in the main office units as well. So there are people in each regional office who have prime responsibility for safety and the function in the personnel branch is merely to co-ordinate those efforts and to propose new policies and procedures, and so on.

Mr. Foulds: Who does the supervising to ensure that field programs are being carried out? Would that be the main office?

Mr. Spry: It is the responsibility of the field manager, be that a district manager or

a regional director, as one of any programs that he has responsibility for.

Mr. Foulds: Okay. I think that answers what I want, Mr. Chairman. Thank you very much.

Mr. Chairman: On vote 2501, shall item 1 carry?

Item 1 agreed to.

Items 2 to 9, inclusive, agreed to.

Vote 2501 agreed to.

On vote 2502, land management program; item 1, water control and engineering:

Mr. Chairman: We have reached vote 2502. Now, I would ask the members to try to stay on each item as listed. I gave you the opportunity on the first vote to broaden out pretty well, because the minister starts out with a summary of his whole ministry and the official opposition and the third party naturally respond. I think it's only fair to broaden that first vote pretty well to give everybody an opportunity. Under land management program, I would ask you to stick to the items if possible.

Mr. Bolan: Mr. Chairman, I have spoken to Mr. Wildman about this. We are going to be talking about floods extensively. Mr. Wildman has his floods. I have mine, I suspect I am going to be much, much longer than Mr. Wildman. So, with your consent, Mr. Chairman, Mr. Wildman.

Mr. Wildman: Thank you. I appreciate that the member for Nipissing would defer. I can anticipate he is going to be talking at length about Field and so on.

I have had extensive discussions and correspondence with regional and district personnel on the flood situation. As a matter of fact, I am going to be meeting next week again with some of these people, Mr. Clevely, I believe, and others. We had extensive flooding, as the minister knows and the ministry personnel are very much involved.

At the outset, Mr. Chairman, I want to make it clear to those here who may not be aware that we are not only just talking in this matter about property damages—which was expensive—but also we are talking about life and death. There was a death attributed to the flooding in my area, just one. So we are talking about a very serious situation. With the Ministry of Natural Resources as the lead ministry there are a number of questions which, despite my discussions and correspondence with the ministry, I don't think have been adequately answered.

Without wanting to dramatize it or prolong it more than is necessary, I do want to make some comments about that particular

death. The ministry indicated to me they were monitoring snow levels, water in the snow, the amount of rain. It is true that we had a tremendous amount of rain in a very short period of time, but I have expressed concern to ministry officials about the fact that I don't think MNR was really prepared for the emergency situation even though they have the responsibility as lead ministry.

I know I could be accused of looking at this 20-20 vision, hindsight and so on. I would hope certainly that the ministry would be more prepared in the future if we face this kind of situation.

In the particular situation I was referring to—I am talking about the Mississagi flood and the fact that MNR was monitoring the situation—the highway was inundated at a number of places.

MNR apparently notified MTC and MTC came on and put up a couple of caution signs and yellow flashing lights, and had a crew out at one particular place where water was quite deep across the road. The ditches were filled on either side of the highway—highway 17, I am referring to. The OPP have indicated to me that they were patrolling the area. They had been in this particular spot about an hour prior to the accident and at that point the water was not across the highway.

However, apparently the OPP were not notified by MNR or by MTC. We had a situation where an individual came along, hit the water at too high a speed and was thrown off the highway into the ditch, which was full of water; but he was very lucky. He was able to get out of his car.

Apparently the MTC crew, which was very concerned about this individual, took him to the hospital in Blind River but left the spot unmanned. Nobody had notified the OPP. There was nobody there. Another car came along 20 minutes later, driven by a young woman. The same thing happened to her; her car was thrown into the ditch, she was unable to get out and she drowned.

[12:15]

I have indicated in the past that I regret very much that there was a decision made not to hold an inquest into this death. But, at any rate, the OPP indicate that they were not informed the water was across the highway. This accident took place at a spot where the water across the road was quite deep and at that particular time, because the MTC crew had taken the previous accident victim to the hospital, there was no one there. There was no one there to help this young woman until some time later when

some of the local people came out and by then it was too late.

I would like to know who is responsible for contacting the other agencies. If it is MNR, then MNR did not contact the OPP. They did contact MTC. MTC, obviously, also wasn't trained; the crew I think did the best they could. They were very concerned and wanted to help with the accident, but they weren't prepared for the emergency either.

Who is responsible for training them in what they should be doing, in warning highway travellers and in reacting to an emergency situation? Who is responsible for that?

Hon. Mr. Auld: I can't answer specifically. I would speculate that in the normal course of events, if there is a problem with a highway where a bridge might be washed out or the bridge is impassable, it would be our responsibility to notify MTC. If it was a question of people who were stranded or something like that, either we would attempt to get to them or we would get the OPP. This was done, for instance, in southwestern Ontario, in that area where people were removed from their homes by helicopters.

But Bob Burgar is here and he is familiar with a number of the events there, so perhaps he might expand on that a bit.

In the normal course of events, if there is some sort of accident on a highway, the OPP are called.

Mr. Wildman: They were called afterwards. I want to point out that for the rest of the weekend, during the peak flooding of the Mississagi, the OPP did a tremendous job of monitoring the situation. So did MTC, so did MNR. There were OPP cars out with flashing lights and MTC trucks with flashing lights and there were all kinds of warnings about the flooded areas of the highway. For the rest of the weekend there were no problems, but this most unfortunate incident took place at a time when the flood was really serious, at a point where the water across the highway was deepest and at a time when there was nobody manning the spot who might have been able to—

Hon. Mr. Auld: Were the signs still up there?

Mr. Wildman: Oh, the signs were still there. The flashing lights were still there. I guess the woman who was driving along hit the water at too high a speed, the same as in the first accident. The individual who was in the first accident said he was driving too fast for the depth of water. He didn't expect what was coming. He saw the warning sign and he slowed down a bit, but he

was still going a little too fast and he hit the ditch, and the ditch had nine feet of water. I guess the same thing happened with the young woman, but there was nobody there.

Mr. Burgar: Mr. Wildman has described the events quite accurately. Normally, being the lead ministry we would notify the other agencies, which we did in the case of MTC. I had thought we had notified the OPP, but you say not so.

Mr. Wildman: The local detachment says they weren't notified.

Mr. Burgar: I think there was an unfortunate combination of circumstances. With the first going off the road, MTC took the person to the hospital and unfortunately they left no one there except the signs. Of course, the next driver came along and skidded into the ditch, as you say.

If I may comment briefly on your concern about training, I think the responsibility the ministry has taken is that it would act as the lead agency and notify other agencies, and up until this year I would make the assumption that we have felt the other agencies should do the training for this type of emergency themselves. I think I can say we have learned enough that we might want to be a little more insistent that training does take place, that we meet before floods start to occur and ensure that all agencies know what action they should be taking.

Mr. Wildman: I don't want to prolong that, but again frankly I do regret the fact that an inquest wasn't held. I don't know why that decision was made.

In terms of deciding when you have an emergency, I have had some discussions with MNR officials and they said largely it is dependent upon a municipality to request emergency assistance. Certainly MNR monitors the situation and warns the municipality, or it is supposed to warn the municipality and the home owners and businesses when it looks as if there is going to be a flood. But in terms of trying to designate an area as an emergency area which then may call in Intergovernmental Affairs and emergency assistance, it is up to the municipality to ask for emergency assistance.

My question is, what on earth happens to northern Ontario where we have lots of areas where there are no municipalities? I understand this year was the first time—and I appreciate the fact the government gave emergency assistance in this case on a four-to-one basis to areas without municipal organization. Previously this had never happened. I had some difficult times, I will say—

and I am not trying to be critical of the MNR people involved—in trying to persuade MNR that it should decide and it should state that this is an emergency situation on this organized area and that it should back me up when I went to Intergovernmental Affairs and said this area was going to need emergency assistance.

For instance, there was a quote by the district manager of Sault Ste. Marie in the newspaper the weekend of the flooding in the Goulais River, when they were actually evacuating people from the community of Searchmont, in which he is quoted as saying he didn't think it was a serious situation in terms of danger to life and that it wasn't that serious in terms of property damage, although there was going to be property damage.

When that quote appeared in the paper my phone was ringing off the hook that whole weekend, and for good reason. I imagine his phone was ringing off the hook too. MNR did come out and say, yes, it was a serious emergency situation, and then we went from there to get assistance.

But if there is no municipality, surely MNR has to be the one to say we do have an emergency situation and we are going to have to get assistance for the home owners and small businessmen in the area.

Hon. Mr. Auld: Really, the way that worked this year was that it was Northern Affairs—it was certainly Northern Affairs in Field which provided the assistance, in effect, acting in a vacuum because there was no municipality, as I understand.

Mr. Wildman: I know Northern Affairs was involved in Field and I don't know when that ministry became involved, how soon or whatever, but it was involved. They became involved later on, it was after the fact, in my area. Northern Affairs was not involved. As a matter of fact, the weekend of the floods in my area they were in Field.

Hon. Mr. Auld: Natural Resources was involved in providing food and stuff like that in the Sturgeon River area and that is a responsibility we have always had, as I understand it, since we have had the program. That is the short-term kind of thing. I know in Field we were set up in the gym at the high school there on the highest ground, although the water was lapping at the door.

Mr. Wildman: Let me indicate again, I don't want to get into a long discussion with Northern Affairs. I raised this during the Northern Affairs estimates. We had long discussions at that time, it was MNR and Intergovernmental Affairs and Northern Affairs was not involved until much later in my area.

If Northern Affairs should have been doing anything it was probably doing what you are saying it was doing in Field and in the case of the floods at Goulais River and the Mississagi flood and also, for that matter, in White River, which is a different situation I have had correspondence about with Mr. Bugar.

In the Mississagi situation, as you had in some other cases this spring, Ontario Hydro is very involved and very much an important factor in this whole thing. I think one of the problems we have in trying to control floods is because of the apparent split jurisdiction.

Hydro operates on a river and its mandate, of course, is to generate electricity at the lowest cost it can. Their mandate isn't to control floods and they point that out all the time. However, they do carry out flood-control measures, some would argue too late, and without enough forethought, but at any rate they say their mandate is to generate electricity. MNR says they are the ones who are responsible for flood monitoring and flood control.

So you get thrown back from one to the other, one saying, "Well, it's not my job," the other saying, "Yes, we are involved, but Hydro is also involved with raising or lowering water behind dams" and so on.

What control does MNR have over Hydro operations? Can MNR go in and say, "We think you are holding too much water back. We are going to have to have more leeway in the next few days or in the next week or two and we want you to spill more water"?

Hon. Mr. Auld: It can vary depending on a number of factors, particularly in southern Ontario.

Mr. Bugar: To deal first with the specifics of the situation on the Mississagi River, we did not become involved with Hydro in terms of drawdown or buildup and so forth this spring. However, as it turned out they had their reservoirs at a maximum drawdown before the water built up, so this spring they provided as much flood control as was possible, given the size of the reservoirs.

We have certainly been having a lot of discussions with Hydro over the past couple of months. We can certainly work much closer with Hydro in terms of what one does with the reservoirs. When Mr. Wildman talks about the specific question of authority or issuing orders to Hydro, I am not all that clear, to be quite honest, that we have an authority to say, "Thou shalt not let water out," or "Thou shalt let water out." I think we can make reasonable progress with them on a mutually-agreed basis, certainly in the northern rivers.

Mr. Wildman: Would you agree that Hydro knew more about how much water there was than MNR did?

Mr. Burgar: Let me attempt to answer that by saying we have, just this summer, I believe, got in excess of a quarter of a million dollars to put new gauging stations in the north which we will combine with their stations and federal government stations, so we will have a better handle on how much water, where it is and when it is going to get downstream.

Mr. Wildman: So basically you are agreeing with me.

Mr. Burgar: I don't think I either agreed or disagreed.

Mr. Wildman: No, I know you didn't.

Hon. Mr. Auld: But we still won't have enough to cover everything just yet.

Mr. Wildman: I do know that Hydro Quebec has a lot more gauges in its hydraulic operations than Ontario Hydro. Even Ontario Hydro would agree with that, so it may not know as much as Hydro Quebec about the watersheds it is operating on, and I don't think MNR knew last spring. Maybe with the new installations you are going to put in this year you will know more, but I don't think you knew as much as Hydro knew about the potential problem you might be facing in the watersheds Hydro was operating on, as it did.

Dr. Reynolds: Mr. Chairman, if I might just interrupt a moment. It is hard to separate the generality from the specific, but I spent quite a bit of time—not as much as Mr. Burgar by any means, but a lot of time—looking into the situation that occurred on the Mississagi. I don't have any problem disagreeing with you that Hydro knew a lot more about that river, particularly the branch it was on, than the other branch, on which there were, I guess you would call it improvements, some dams, some water-restraining features. We didn't have the gauging equipment and other monitoring equipment I wish we had. That would apply to a lot of rivers.

I don't really think Hydro could have done any more than it did. I don't have the

ability, really, and I don't have the memory to recall the data it showed us, but Hydro did an outstanding job, in my opinion, in restraining the flooding. No matter how much more closely they had attempted to work with us, I don't think it would have made any real difference downstream.

Mr. Wildman: You would agree that Hydro does engage in flood control, even though it has maintained—

Dr. Reynolds: Yes, it is not its primary mandate, but that is an agency that has the public good very much at heart. They were very conscious of what they could do and what they ought to do and I think they carried that through to the full. I have no criticism of Hydro whatsoever on that score.

Mr. Wildman: Perhaps the minister might comment on whether, as Minister of Natural Resources and former Minister of Energy, he thinks it is a legitimate expense for the electricity consumers of this province for flood control to be part of the cost to Ontario Hydro?

Hon. Mr. Auld: As I understand their operations, and I know of some of them in southern Ontario, they have undertaken, in effect, a dual responsibility because obviously if they are going to have a dam, the dam and the reservoir thereof, and the uses are complementary, should have a degree of flood-control capability simply because they want a constant flow of water. In many cases they probably have produced a larger reservoir than they really need just for flood control, or that would be needed for flood control, depending on what the waterflows are seasonally. They don't build their dams primarily for flood control. They build the dam and the reservoir for power generation.

Mr. Wildman: I agree with that. I would agree to the point of saying on the Mississagi they don't build it at all for flood control; they build it simply for generation. As a result of that they don't have adequate reservoir capability in order to be able to deal with a sudden onset of water, if it is more than they would normally expect.

The committee adjourned at 12:35 p.m.

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From the Ministry of Natural Resources:

Burgar, R. J., Director, Conservation Authorities and Water Management Branch,
Lands and Waters Group

Foster, W. T., Assistant Deputy Minister, Southern Ontario

Reynolds, Dr. J. K., Deputy Minister

Riley, R. A., Director, Land Use Co-ordination, Lands and Waters Group

Ringham, L., Assistant Deputy Minister, Northern Ontario

Spry, G. D., Executive Co-ordinator, Finance and Administration Group

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